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Daily Report
East Asia

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Japan

Japan: Coalition Leaders Discuss Defense Guidelines With Mondale

OW0805065796 Tokyo KYODO in English 0651 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Policy-makers from the three ruling parties told U.S. Ambassador to Tokyo Walter Mondale on Wednesday [8 May] that a scheduled review of guidelines for bilateral defense cooperation must not pave the way for Japan to carry out collective defense.

The ruling coalition demanded that the review be made in accordance with Japan's war-renouncing Constitution, which is widely viewed as prohibiting collective defense, Taku Yamasaki, head of the Liberal Democratic Party's Policy Affairs Research Council, told a news conference after meeting with Mondale.

The ambassador signaled understanding to the request and said that given heated domestic debate about the issue, the guideline review might take more than a year, according to Yamasaki.

In a joint defense declaration issued during U.S. President Bill Clinton's state visit to Japan last month, both sides agreed to study improving defense cooperation in emergencies in the Far East.

Mondale also reaffirmed that the United States places importance on dialogue between North and South Korea for stabilizing the situation on the Korean peninsula.

As for proposed four-way talks on a peace agreement to replace the Korean Armistice that ended the three-year Korean war in 1953, Mondale said North Korea's request for further information on the details of the proposal is a positive sign that Pyongyang is not totally rejecting the idea.

The talks involving the two Koreas and their major allies in the war, China and the U.S., were proposed by Clinton and South Korean President Kim Yong-sam last month.

Japan: Governor Ota Says Relocation of U.S. Bases Requires Support

OW0705135796 Tokyo NHK General Television Network in Japanese 1011 GMT 7 May 96

[Announcer-read report over video; from the "NHK News 7" program]

[FBIS Translated Text] Okinawa Governor Masahide Ota has indicated for the first time that the prefectural government will be able to flexibly deal with the issue of transferring some of the functions of Marine Corps Air Station [MCAS] Futenma to other bases on Okinawa if local municipalities and residents support the relocation, which is to be made in accordance with the Japan-U.S. agreement on the return of MCAS Futenma. During today's regular news conference, he suggested that the prefectural government may cooperate in the relocation only if local municipalities, where the functions of MCAS Futenma will be transferred, support the relocation.

[Begin recording; video shows Ota seated in a room in the prefectural office building, speaking to reporters] If local municipalities agree to accept the functions of the base, and if the relocation does not hinder the municipalities' development plans and the prefectural office's plans for the utilization of returned military-occupied land, we may be able to flexibly deal with the matter. [end recording]

The governor suggested that he will cooperate only if local municipalities support the relocation and the relocation does not hinder local and prefectural offices' development programs. This is the first time that Ota has offered his cooperation. Ota also said that at a meeting in Tokyo on 9 May, when officials from the central government and Okinawa meet for the first time to discuss Okinawa's base issue, he would assert that there are things in which the prefectural office can and cannot cooperate with the central government, and that the forced use of land for the U.S. military is basically the issue between landowners and the central government. In this way, he made clear that he would keep his policy of rejecting cooperation in the forced rental of land for the U.S. Forces.

Japan: Okinawa Group Demands Removal of U.S. Bases to Mainland

OW0805080696 Naha Okinawa Times in Japanese 1 May 96 Morning Edition p 23

[FBIS Translated Text] Up until 30 April, when the Association of Central Zone Communities [ACZC] (chaired by Ginowan Mayor Seiken Tobaru) said: "You can regard it as a request to resolve this island's military base problem," it had been considered taboo to publicly demand that U.S. military bases on Okinawa be relocated to mainland Japan.

Tokushin Yamauchi, ACZC vice chairman and Yomitan Village mayor, revealed his personal agony during a news conference, saying "I am not happy to say this, but ... [ellipses as published]" and then adding: "Further buildup of base functions goes beyond the limit we can resign to. We think the whole nation should share the burden of security equally together." In this way he revealed the irritations of the Okinawans who see their desires for the fair and equal sharing of burdens not being realized, and only see the bases being moved around within the prefecture.

The ACZC's demand, while representing an abandonment of its past position, is likely to throw a considerable impact on the local governments of the areas on the mainland where the live-fire exercises, which are currently conducted over Okinawan Prefectural Highway 104, will be moved to.

On 14 April, the Japan-U.S. Special Action Committee on Okinawa (SACO) issued an interim report relating to the planned realignment, consolidation, and reduction of U.S. Armed Forces bases on Okinawa. The report was an outcome of the Japan-U.S. talks on which the Okinawans had placed so many hopes, but the outcome was one that suggested only the removal of some functions to or integrating them with existing facilities on Okinawa. According to the report, the functions that will really be removed to the mainland are the live-fire exercises that are currently conducted over Prefectural Highway 104, and the KC-130 aerial refueling operations that are now based at Marine Corps Air Station [MCAS] Futenma.

"We are suffering enough from the heavy burdens of the military bases now. We could not bring ourselves to accept the relocation of base functions to Kadena Air Base or the Kadena ammunition depot area." So said Ginowan Mayor Tobaru, explaining the reason for his agreeing to take a common step in objecting to the relocation of base functions within the prefecture. Yomitan Mayor Yamauchi said: "The ACZC's statement is a product of the common ground shared by all the communities."

The local governments of those areas that suffer from base-related problems have so far refrained from publicly demanding the removal of bases to the mainland. Explaining the change in their position, Mayor Yamauchi said: "Only the people who have personally experienced the pain know the pain of the people here."

In its 30 April statement, the ACZC, referring to the proposed relocation of the U.S. military bases on Okinawa, asked the U.S. Government to "expand the scope of its actions to include mainland Japan and the U.S. territories in the Asian and Pacific region."

Mayor Yamauchi expressed his hope, saying: "This will lead to a debate on the question of how Japan should define the problem of the U.S. military bases as a whole."

There is now a national tendency of thinking that the "problem of military bases on Okinawa has been resolved," as suggested by the SACO's interim report. The ACZC's statement is intended to put a stop to this tendency of thinking and to rouse public opinion so that their position may be better reflected in the final report, which is expected to be issued in the fall.

Asked to comment on the proposal to return MCAC Futenma as part of the actions to relocate bases within Okinawa, Ginowan Mayor Tobaru explained his difficult position and expressed his misgivings, saying: "I am not happy to say this. Though not happy, I am not saying I will not accept the return of MCAS Futenma."

Japan: Okinawa Trade Union Demands Referendum on U.S. Bases

OW0805102696 Tokyo KYODO in English 0939 GMT 8 May 96

[FBIS Transcribed Text] Naha, Japan, May 8 KYODO — The Okinawa branch of the Japanese Trade Union Confederation (Rengo) on Wednesday [8 May] demanded that the prefectural government make legal arrangements for a referendum on the reduction of U.S. Military bases in Okinawa.

Rengo representatives submitted a petition backed by 33,000 signatures and a draft bill for a prefecture-wide referendum to Gov. Masahide Ota.

Ota will present the draft bill, after adding his own opinions, to the prefectural assembly which is expected to take up the matter in an extraordinary session around May 20.

Should the bill be adopted, Okinawa would become the first prefecture to hold a plebiscite.

Under the local autonomy law, one-50th of all eligible voters in a local government must give signatures to pave the way for a referendum, more than 18,000 in the case of Okinawa, Japan's southernmost prefecture.

The proposed referendum would ask Okinawan people whether they want a consolidation and reduction of U.S. military bases in the island prefecture and whether they want a review of the U.S.-Japan Status-of-Forces Agreement.

The agreement, which defines the status of the U.S. military in Japan, and the U.S. military presence in Okinawa came under fire after an Okinawa schoolgirl was abducted and raped last September by three U.S. servicemen who are now serving prison terms for the crime.

About 75 percent of all land used by the U.S. military in Japan is concentrated in Okinawa, although the island prefecture makes up only 0.6 percent of Japan's total land area.

Under an agreement reached in April between Japan and the United States, the U.S. military will vacate some 20 percent of the land it now occupies in Okinawa.

The [illegible]000 signatures for the referendum were collected since late February.

Japan: U.S. Base Removal Plan Opposed in Oita Prefecture

OW0805025296 Tokyo KYODO in English 0243 GMT 8 May 96

[FBIS Transcribed Text] Oita, Japan, may 8 KYODO — A group of residents in Yufuin, Oita Prefecture, will conduct a campaign to write letters to Prime Minister Ryutaro Hashimoto to express opposition to a plan to transfer a U.S. military exercise facility in Okinawa Prefecture to their town, officials of the group said Wednesday [8 May].

The group, led by Yufuin Mayor Takaya Sato, has prepared a total of 12,000 post cards for the six-day campaign starting Friday, the officials said.

The Hijudai exercise site of the Ground Self-Defense Force, which includes the towns of Yufuin, Kusu and Kuju, has been listed as a possible substitute site for the U.S. live-ammunition practice facility.

"In the first place, local residents will show their opposition to the plan and then we want to expand the campaign out of town," said Izumi Kuwano, a 31-year-old local citizen.

Japan: SDP Deputy Head Uehara Rejects New Runway on Okinawa

OW0805084296 Naha RYUKYU SHIMPO in Japanese 8 May 96 Morning Edition p 2

[FBIS Translated Text] Kosuke Uehara, deputy head of the Social Democratic Party [SDP], attended a news conference held at the Prefectural Government Building on 7 May. Based on an accord on "returning Marines Corps Air Station [MCAS] Futenma," as stated in the "interim report" of the Special Action Committee on Okinawa (SACO), a new runway will be built at the Kadena Ammunition Storage Area [KASA]. Concerning this issue, Uehara disclosed that his party intends to submit a proposal to the government for reviewing the project. It was the first time that a senior executive of the ruling parties had clearly stated opposition to the plan for the return of MCAS Futenma. Thus, his remarks are likely to send ripples through the government and ruling coalition parties.

Moreover, since the Prefectural Expropriation Committee is most likely to "disapprove" the request for emergency use of the land plot used as the Sobe Communications Site, the government has been studying the possibility of enacting special legislation to speed up the procedures for enforced use of the land plot. Concerning this point, Uehara said: "It will not be desirable to enact new special legislation. Government officials must exercise their brains to work out measures to eliminate the illegal situation."

It is stated in the SACO report that seven out of the 11 facilities will be returned on condition of relocating them to other places within the prefecture. In stating his doubts about this plan, Uehara stated: "Since there are limits to relocation within the prefecture, the plan will not settle the problem." Then, he added: "It will be necessary for mainland Japan to share the pain. Why is it that the Japanese and U.S. governments will not make use of leisure facilities on Hawaii or Guam?" Thus, he indicated his view that the SACO report should be reviewed once again while taking into account the possibility of relocating facilities to either mainland Japan or the United States itself.

Moreover, he disclosed the following facts: In connection with the plan for building a new runway at the KASA's ASP-1, General Steele [name as transliterated] of the Pacific Command asked him a question: "The length will be reduced from 9,600 feet (about 2,900 meters) to 5,000 feet (about 1,500 meters). Why is it that this plan is not welcomed?" In reply, Uehara said: "There is absolutely no way for Okinawan people to agree to the plan for building a new runway 1,500 meters long that will be used by fixed-wing aircraft. It is absolutely impossible."

The conference was arranged for the SDP delegation to report on its visit to the United States from 28 April through 2 May. During their stay in the United States, delegation members held talks with Defense Secretary Perry, high-ranking officials of the Department of State, and the Department of Defense, members of both lower and upper houses, and learned people concerned with defense and security issues in Washington; and also with high-ranking officers of the Pacific Command in Hawaii.

With regard to the interim report, deputy head Uehara pointed out that the U.S. Government had given him "a hint that there may still be turns and twists before the final report is completed in November." In this connection, Uehara said the SDP intends to work out its own independent views on the base and security issues.

Japan: Local Paper Demands Bases Removal to Mainland

OW0705131196 Naha OKINAWA TIMES in Japanese 1 May 96 Morning Edition p 5

[Editorial: "Demanding Military Bases' Relocation to Mainland for the First Time"]

[FBIS Translated Text] The United Kingdom's BBC news reported on a joint statement issued by Prime Minister Ryutaro Hashimoto and President Bill Clinton on 17 April. According to the report, the Japan-U.S. military alliance is strengthened by it and "20 percent of the U.S. military bases on Okinawa are to be returned." Almost all foreign television stations reported in a similar tone — as if Okinawa's problem of military bases, which the world learned about because of the detestable incident of U.S. soldiers raping a child last September, were resolved with this statement.

Inasmuch as the central government has been concerned by the possibility that the "rebellion of Okinawans" would drive the Japan-U.S. relationship into a crisis, the government officials may feel relieved, thinking the problem has been resolved. But if they really think the problem has been resolved, they are thoughtless and are forgetting about the human aspects of the problem.

The Association of Central Zone Communities [ACZC] has unanimously passed a resolution protesting the Japanese and U.S. governments' agreement to relocate U.S. military bases only within Okinawa and thus to maintain their functions on the island, and demanding that the military bases be relocated to "the mainland of Japan and the U.S. territories in the Asian and Pacific region." The group of 13 communities, whose interests do not always match, in a rare action of unity presented a united front in calling for the relocation of military bases to the mainland of Japan although it did express a definitive appreciation for the planned return of MCAS Futenma as well. It is the first time that such a call has been presented.

Many of the U.S. military bases now on Okinawa were relocated from the mainland of Japan sometime between 1952 when the Peace Treaty of San Francisco came into effect or 1953 when the Korean War ended and 1960 when the Japan-U.S. security treaty was revised. That is why the Okinawans say "they forced the bases on Okinawa."

But the Okinawans have always thought they should not demand "the relocation of the bases to the mainland" because Okinawa needed "a fair share of the peace dividends." We regard importantly the plea of these communities with the military bases in their areas saying that equal burdens should go to the mainland of Japan despite the risks of forgoing their position on the peace dividends. We hope that the central government will take their plea seriously too.

Prime Minister Hashimoto, in announcing the agreement on the return of Futenma, in a casual manner, said "the heliport of Futenma will be relocated to a base within the prefecture." He said it in a casual manner, but there is no doubt that Japan was requested by the United States to provide a 1,500-meter-long landing strip instead and that Japan is thinking about using 360 hectares of land in the Kadena ammunition depot area for the purpose. No local Okinawans believe "the burdens of Okinawans will be lessened" — as the Japan-U.S. Special Action Committee on Okinawa (SACO) claimed in its interim report — as a result of relocating functions of Futenma to Kadena Air Base.

Today, the Defense Agency's "Working Group to Promote Actions for Resolving U.S. Base Issues on Okinawa" (tentative name) goes into operation. And the agency already has a "Special Committee on the U.S. Military Bases in Okinawa" set up.

In addition, a task force to work on the return of the bases is due to be formed soon. This body, comprising of officials of concerned central government offices and the Okinawa Government, will be headed by Teijiro Furukawa, deputy chief cabinet secretary, and will handle the issue of constructing a substitute heliport, which comes as part of the agreement on returning MCAS Futenma as well as the issue of effectively using the sites of the bases returned to Okinawa's control.

The government apparently believes that now that the most important issue of returning Futenma to Okinawa has been resolved, Okinawa Governor Masahide Ota should act as a coordinator in the matter of relocating the military bases within the prefecture. And we must say this is something that has been anticipated in view of the history of how the politics has been run in this country.

But Governor Ota makes it clear that the matter of relocating the bases belongs primarily to the government. And the ACZC objects to the prefectural government acting as the central government's subcontractor in this.

Japan: U.S. Chip Makers Seek To Postpone Bilateral Private Meeting

OW0805045896 Tokyo KYODO in English 0431 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — The U.S. Semiconductor Industry Association has asked the Electronic Industries Association of Japan to postpone their planned regular bilateral meeting in June, expected to deal with the controversial Japan-U.S. chip pact, Japanese officials said Wednesday [8 May].

The two bodies are scheduled to meet June 14 in Tokyo to discuss a new framework to replace the current semiconductor trade agreement, which expires at the end of July, the officials said.

The reason for the U.S. association's request has not yet been given, the official said.

As the request has not been made officially, it is still uncertain whether the meeting would be called off, the official added.

Both sides discussed the issue of semiconductor trade April 26 in Hawaii, but failed to iron out their differences.

The U.S. side is demanding that Japan renew the chip accord, while the Japanese side argues that the accord is no longer necessary because government has no role to play in the issue.

Meanwhile, the Japanese association will meet representatives of European chip makers Friday in Tokyo, the officials said.

They said the European makers might demand at the meeting that they be allowed to join any new microchip accord.

The Japan-U.S. chip accord calls for a gradual increase above 20 percent in foreign chip shares in the Japanese market. Recently, the share topped 30 percent.

Japan: Article Expresses Concern Over White House Media Policy

OW0805054196 Tokyo EKONOMISUTO in Japanese 7 May 96 p 19

[Article by Yoshiaki Ito, MAINICHI SHIMBUN's Washington correspondent: "The U.S. Government's Information Service to the Media: Is There Not a Danger of Information Manipulation?"]

[FBIS Translated Text] "Ladies and gentlemen. The President of the United States." The voice of the master of ceremonies echoed through the room. Reporters, who had been chatting till then, rose as one. A man in a gray suit appeared from the wing to the left of the stage and approached the podium bearing the Presidential crest. The man raised his right hand slightly in response to the reporters.

Bill Clinton, the 42d President of the United States. I saw the President from a short distance for the first time at the news conference following the summit on nuclear safety held in Moscow. He was much more good-looking than any other heads of states that I had met before. Although there was no spotlight, the atmosphere he created was almost that of a movie star, and even the reporters seemed to look at him like that. My biggest surprise was that a verbatim transcript of the President's speech and the question-and-answer session at the news conference was distributed to the media in less than an hour.

The United States is said to be a media kingdom. The three big networks — ABC, NBC, and CBS — have enormous influence, and the reliability of "THE WASHINGTON POST" and "THE NEW YORK TIMES" is excellent. During my 10 years as a correspondent, I have often been impressed by the U.S. media's news-gathering capabilities — in the Lebanese civil war, the Gulf war, and the Bosnian conflict. It seemed to me that the U.S. media moved energetically as a hunter of battlefield news. But being assigned to the United States — the U.S. media base — I now have a feeling that the U.S. media is a little bit different from what I had imagined.

One day I attended a briefing by a State Department media officer. Reporters' questions were to the point, and one after another they even asked questions that needed courage to ask. The proceedings of this briefing were also fully transcribed and handed out to the media in about an hour. There seems to be an organization specializing in such a service. Not only the news conferences of the principal government agencies, but each and every word that key government figures and lawmakers say on television talk shows are transcribed and made available. "So we can write an article without attending a news conference," a U.S. reporter told me, stressing the convenience of such a service.

Since the media has a lot of power, the White House and those who are the subject of media coverage attempt to provide this service. Printing their claims and distributing them right away is quite easy for them to do. Or perhaps it is the media, with the backing of its influence, that requested the government to offer such a service.

I wonder if it is really all right for us, the media, to enjoy such a service. Using "convenience" as the reason for the service may be a manifestation of American rationalism. However, I think the continual use of this service runs the danger of allowing information manipulation, similar to that of Japan's reporter's club system which the U.S. media once criticized. As long as the U.S. media look adoringly at the President — who is as handsome as a movie star — and writes articles based on the transcripts of news conferences, it is difficult to expect the U.S. media to have the vigor it had when it drove President Nixon to resign. Certainly, the vestige of the hunter that reported from the frontlines of war cannot be found in such U.S. media.

Japan: Tokyo Said Worried About Impact of Mitsubishi Issue

OW0805020896 Tokyo KYODO in English 0134 GMT 8 May 96

[FBIS Transcribed Text] Washington, May 7 KYODO — Tokyo is worried about the impact of alleged sexual harassment incidents at a U.S. subsidiary of Japan's Mitsubishi Motors Corp. on the overall impression of Japan, a Japanese diplomatic source here said Tuesday [7 May].

"We are worried, although the incidents have not yet led to criticism that they occurred because it was a Japanese company," the source said, indirectly urging Mitsubishi to resolve the problem as early as possible to prevent it from damaging Japan's image in the United States.

Meanwhile, Japanese Ambassador to the U.S. Kunihiko Saito told reporters that, in reply to a letter on the issue from a U.S. Congresswoman, he had stated the Japanese Government is not in a position to intervene in a private-sector matter.

U.S. House of Representatives lawmaker Patricia Schroeder from Colorado sent a letter to Saito late last month, urging him to "encourage Mitsubishi to act like a responsible corporate citizen."

But the source noted that the Japanese Government acknowledges there is criticism in the U.S. of Mitsubishi Motor Manufacturing of America Inc.'s initial response, such as its staging of a rally of its employees against the U.S. Equal Employment Opportunity Commission (EEOC).

The EEOC has filed a class action lawsuit on behalf of more than 500 current and former female employees who say they were harassed at the Mitsubishi subsidiary's plant in Normal, Illinois.

In addition, 29 women have filed a private lawsuit alleging sexual harassment.

Schroeder and many other congresswomen held a joint press conference last week, warning the Mitsubishi subsidiary that they would take further steps if the company continues to intimidate its workers and the EEOC.

Japan: JAL's Narita-Hawaii Service Inauguration Scheduled 2 Jun

OW0805115696 Tokyo KYODO in English 1029 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Japan Airlines (JAL) said Wednesday [8 May] it will inaugurate a service between Narita and Kona, Hawaii, on June 2.

Three flights a week — Monday, Thursday and Sunday — will depart from Narita and Kona, JAL said.

The new service was to have been launched April 1. However, it was approved May 1 by the United States as a provisional measure until Oct. 26, as a result of recent Japan-U.S. aviation talks in which both sides were at odds over so-called "beyond" rights.

The Japanese maintain that the 1952 Japan-U.S. aviation pact offers unfairly favorable rights for U.S. carriers to fly beyond Japanese airports to third countries.

At the end of April, the aviation talks struck a "truce" agreement in Washington over their passenger aviation dispute to accommodate the spring and summer high tourist seasons.

Tokyo Unable To Confirm PRC Nuclear Test Preparations

OW0805033296 Tokyo KYODO in English 0258 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Japan has been unable to confirm recent reports that China is preparing to conduct another nuclear test later this month, Prime Minister Ryutaro Hashimoto said Wednesday [8 May].

"I have heard such rumors since before the Golden Week (holiday season between late April and early May). Some of the rumors say the preparations are proceeding. But we have not confirmed any of them," Hashimoto told reporters.

The prime minister expressed his intention to watch how the situation develops, for the time being, saying the government cannot deal with an issue that has not been substantiated.

Chief Cabinet Secretary Seiroku Kajiyama, the top government spokesman, told a press conference Japan has repeatedly called on China not to conduct further nuclear tests.

China is now the only country that is continuing with nuclear testing, after France announced the termination of its nuclear tests, in January this year.

Japan: Multipartisan Lawmaker Group Decides To Attend Taiwan Inauguration

OW0805104196 Tokyo KYODO in English 0955 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — A multipartisan group of Japanese lawmakers will attend the inauguration of Taiwan President LI Teng-hui on May 20, a Liberal Democratic Party (LDP) group on Japan-Taiwan relations said Wednesday [8 May].

The LDP panel, chaired by longtime pro-Taiwan legislator Masayuki Fujio, decided at a meeting to appoint Former House of Representatives Speaker Hajime Tamura as head of the Japanese lawmakers' mission to Taiwan.

The delegation will include members of the LDP, the two other ruling coalition parties and the largest opposition Shinshinto (New Frontier Party), panel officials said.

The LDP is the largest bloc in the ruling coalition.

Although former prime ministers were also considered to lead the delegation, Tamura was selected because his former position of lower house speaker would lend gravity to the mission while not offending China, political sources said.

Japan has diplomatic relations with China, but not with Taiwan.

LDP lawmaker Shinji Sato said at a press conference, "This multipartisan group represents something beyond party affiliation and Tamura is the best man to lead the delegation."

Sato will join the group attending the inauguration. In April, he went to Taiwan with other LDP legislators to meet with Li and discussed possible ways to promote relations between Tokyo and Taipei.

The group will arrive in Taiwan on May 19, attend the inauguration the next day and return to Japan in the evening.

Li won reelection March 23 in the island's first direct presidential election.

Japan: Hashimoto Pledges To Urge 'Comfort Women' Fund Donations

OW0705151196 Tokyo KYODO in English 1410 GMT 7 May 96

[FBIS Transcribed Text] Tokyo, May 7 KYODO — Prime Minister Ryutaro Hashimoto pledged Tuesday [7 May] his efforts to urge four major business organizations to help revamp a cash-strapped private fund to compensate Asian "comfort women" forced into sex slavery for the Japanese military before and during World War II.

Hashimoto made the pledge in response to the request of the leading promoter of the private fund, officials said.

Bunbei Hara, a former president of the House of Councillors, told Hashimoto that the fund hopes to start distributing money "in July when the fund celebrates its 1st anniversary or in August at latest."

Hashimoto pledged his "utmost efforts" to persuade the four business organizations to contribute to the fund, the officials said.

The four groups are the Federation of Economic Organizations, the Japan Federation of Employers' Associations, the Japan Chamber of Commerce and Industry, and the Japan Association of Corporate Executives.

The Asian Women's Fund is intended to pay a lump sum solatium of 3 million yen to each of the roughly 300 surviving former sex slaves in South Korea, the Philippines and Taiwan.

But due to a sluggish response from the Japanese public, fund-raisers have collected only 330 million yen of the 1 billion needed for the scheme, not counting the expected payments to the former sex slaves in other Asian countries such as Indonesia and China.

The fund was set up last July under the cabinet of then Prime Minister Tomiichi Murayama as a main pillar of projects marking the 50th anniversary of the end of World War II.

Historians estimate that between 80,000 and 200,000 women, mostly from the Korean peninsula but also from the Philippines, Indonesia and China, were forced into sexual slavery in front-line brothels for the Japanese Imperial Army.

Emerging from the meeting, Hara told reporters that the resignation of fund-raiser Mutsuko Miki will not affect the payments from the fund.

Miki, widow of former Prime Minister Takeo Miki, submitted her letter of resignation to the fund last Thursday.

In the meeting with Hashimoto the same day, Miki told the prime minister she felt bashful because her action might not necessarily help alleviate the agony of the victims and urged the government to directly pay compensation to the women, informed sources said.

Hashimoto, however, reiterated the long-held government line that the compensation issue has already been resolved.

The private fund is under fire from within and outside of Japan as being used for Tokyo to get around paying government compensation.

Hara will report Miki's resignation to a meeting of the fund's board of directors Thursday. An official at the fund's secretariat said he does not know whether Hara and Miki discussed the matter with each other or whether he simply tried to persuade Miki to stay.

Miki originally agreed to promote the fund because the former comfort women, as they are known in Japan, are aging and because she wanted to use her status to step up her demands for redress to individuals.

Japan: MITI Pledges To Survey Impact of Imports on Textile Industry

*OW0805070096 Tokyo KYODO in English
0455 GMT 8 May 96*

[FBIS Transcribed Text] Tokyo, May 8 KYODO — International Trade and Industry Minister Shumpei Tsukahara pledged Wednesday [8 May] to conduct a survey on the textile industry to ascertain the impact of rising imports from China and other countries, a trade ministry official said.

Tsukahara's pledge was made during a breakfast meeting with textile industry leaders at a Tokyo hotel.

Tsukahara said the Ministry of International Trade and Industry (MITI) will send questionnaires to 20 local textile industry groups and 10 national groups to learn about the effect of imports, employment trends and other factors, the official said.

MITI will also send questionnaires to, and conduct hearings among, 130 apparel makers and other textile-related firms, the official said.

At the breakfast meeting, the industry leaders called for the government to take action to provide protection against textile imports from China and other countries as soon as such imports start rising again, according to the official.

Japan imposed antidumping duties on cotton yarn imports from Pakistan last year.

It also considered taking protectionary action in response to surging textile imports from China, but such moves never materialised as the steep growth slowed, apparently because Beijing stepped up its export controls to preempt the action.

Tsukahara said the ministry has discussed textile trade with China, which accounts for half of Japan's total textile imports, on various occasions and will continue to do so, the official said.

Textile imports from China grew 34.1 percent in January from a year earlier, before seasonal adjustment. They rose 32.9 percent in February and fell 24.9 percent in March, the official added.

Japan: Hashimoto Says 'Jusen' Founders Should Take More of Burden

*OW0805034096 Tokyo KYODO in English
0329 GMT 8 May 96*

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Prime Minister Ryutaro Hashimoto said Wednesday [8 May] that founder banks of seven failed "jusen" housing loan companies should bear more of the financial burden in a government plan to liquidate the firms using taxpayers' money.

Speaking at a House of Councillors Budget Committee session, Hashimoto said the founder banks should consider shouldering more of a financial burden than stipulated in the government plan.

Things that were not known at the time the government drafted the plan last year, such as the founder banks' assistance in arranging loans from the mortgage companies, have been revealed, Hashimoto pointed out.

"We will handle it strictly if any illegal cases come to light" in connection with such influencing of "jusen" loan operations by the banks, he said.

Hashimoto said he hoped the founder banks will make decisions on the issue "on their own, taking account of the Diet discussions."

Under the government's plan to use taxpayers' money as part of the fiscal 1996 state budget, the founder banks are to abandon all claims to 3.5 trillion yen in loans to the housing loan firms.

The House of Representatives in April passed the 75.1 trillion yen state budget after the tripartite ruling coalition and major opposition party Shinshinto (New Frontier Party) agreed to temporarily put on hold the 685 billion yen appropriation for the government scheme included in the budget.

The advance of commercial banks into the housing loan business around 1982 and 1983 forced "jusen" companies into lending for real estate speculation, leaving them with huge amounts of bad loans when the economic bubble burst in the early 1990s.

At the same upper house budget committee session Wednesday, Akio Harada, who heads the Justice Ministry's Criminal Affairs Bureau, said the criminal responsibility of both lenders to "jusen" firms and borrowers from them should be pursued "as much as possible."

"We will handle the cases strictly in cooperation with police and the tax authorities," harada said.

The upper house is expected to pass the budget bills Thursday.

Japan: Kubo Urges Farm Lenders To Bear Greater 'Jusen' Burden

OW0805120996 Tokyo KYODO in English 1049 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Finance Minister Wataru Kubo urged agricultural financial institutions Wednesday [8 May] to further contribute to a liquidation scheme for failed "jusen" mortgage loan companies.

"Agricultural financial institutions should seriously consider new contributions since they, as major creditors to the jusen, cannot avoid their responsibility for the bad loan mess," Kubo said at a news conference.

Kubo said he wants to discuss the issue with the farm minister if talks with commercial banks on their additional contributions to the liquidation scheme start following Diet approval of the fiscal 1996 budget.

Under the government scheme, seven jusen companies, which are virtually bankrupt due to huge problem loans, will be liquidated with the help of 685 billion yen in taxpayers' money.

The fiscal 1996 budget, including the jusen spending, is scheduled to be approved at the Diet on Thursday.

The scheme calls for banks that founded the jusen companies to abandon all their loans to the mortgage companies, which total 3.5 trillion yen.

Under the scheme, agricultural financial institutions will be repaid all the principal of their loans to the mortgage companies. In exchange, they will donate 530 billion yen to the liquidation scheme.

Amid strong public criticism of the use of taxpayers' money, the government is now seeking additional burdens from institutions involved in the housing loan fiasco.

Kubo also told the news conference that if an organization is created to take over loans at the jusen companies, each loan deal brought by the founder banks to the mortgage companies will have to be closely examined.

Many of the deals led to the emergence of problem loans at the jusen companies, and there must be deals that should be subject to lawsuits for damages, Kubo said.

The founder banks have been criticized for having introduced customers to the jusen companies, despite being aware of the strong possibility of default.

Japan: Bank President Advocates Reorganization of Banking Industry

OW0805110996 Tokyo KYODO in English 0950 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Tasuku Takagaki, president of the Bank of Tokyo-Mitsubishi, says he hopes Japan's banking industry will be reorganized to contribute to upgrading the nation's financial markets.

The Bank of Tokyo-Mitsubishi, the world's biggest commercial bank in terms of assets and financial resources, was founded April 1 through a merger between the Bank of Tokyo and Mitsubishi Bank.

"I'm not opposed to reorganization of the banking industry. I don't care if the Bank of Tokyo-Mitsubishi will rank second or third as a result of mergers," Takagaki said, adding that "reorganization is favorable for the industry because it will contribute to improving the quality of the financial market."

"It's no good for all the 20 major commercial banks to pursue similar management policies. It is not necessary for all of them to aim to develop into universal banking institutions," he said.

He predicted that Japan's banking industry will be divided into two groups, with some aiming to cater to regional needs and the others trying to develop into universal banks.

Takagaki touted the success of the megamerger, saying it contributed to upgrading services to customers through combining the overseas network of the bank of Tokyo and Mitsubishi's domestic network.

He said the new bank will actively promote restructuring of operations so that favorable effects of the merger will be brought about in the very near future.

Touching on problem loans left by the failed "jusen" mortgage companies, Takagaki urged the government to take resolute action on the issue to avert a financial crisis.

However, he said he opposes an idea of increasing the burden of founding banks in order to dispose of bad loans left by the mortgage companies.

Japan: Web Site To Offer Environmental Technology to APEC Members

OW0805102196 Tokyo KYODO in English 0916 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Local governments and business circles in the Kansai region in western Japan set up a council Wednesday [8 May] to promote the exchange of environmental technology among member economies of the Asia-Pacific economic cooperation (APEC) forum, officials said.

The panel will spend some 1 billion yen in fiscal 1996 to prepare an Internet web site for providing data on environmental technology and hold symposiums and seminars to enhance technological exchange, staff training and other issues, the officials said.

Panel members include Osaka, Kyoto and Hyogo Prefectural Governments, the Kansai Economic Federation, the Osaka Chamber of Commerce and Industry, as well as individual companies and environmental research institutes in the region.

They formed the panel to press ahead with a Japanese-proposed scheme for enhancing the exchange of environmental technology in the APEC region which was included in the action program adopted at the Osaka meeting of the 18-member forum last November.

The scheme is aimed at promoting environmental preservation in the APEC area under private-sector leadership and enhancing intergovernmental cooperation on environmental technology in the area.

Under the scheme, the panel expects to complete a prototype web site by August and bring Internet-based data exchange into full operation as early as April 1997.

The web site, called the APEC Virtual Center for Environmental Technology Exchange, will be linked up with web sites run by environmental institutes of other countries, the officials said.

Meanwhile, the panel will hold a symposium in Osaka in November to introduce the prototype web site and discuss technological and staff training information that should be available on the site, according to the officials.

It will also sponsor a series of seminars concurrently with the symposium to discuss practical and technical problems involved in the APEC virtual center operation.

Japan: Software Makers Vying To Provide Internet Browser Products

OW0705090896 Tokyo KYODO in English 0821 GMT 7 May 96

[FBIS Transcribed Text] Tokyo, May 7 KYODO — Software makers are vying to provide Internet browser products with more functions, industry sources said Tuesday [7 May].

Browsers are used to find information in the Internet's World Wide Web (WWW) arena, which can display not only text but also photographs and other graphics.

The latest WWW software can also handle sound and moving pictures.

Microsoft Corp. of the United States expects that the upgrading of browser functions will encourage the development of related software products, making the Internet more convenient for users, company officials said.

Some in the software industry regard the upgrading of browsers as a strategic move to give companies a central role in building up "intranets," or internal corporate communication systems, as well as in electronic commerce, the sources said.

Netscape Communications Corp. has provided the world's most popular Internet browser software, the Netscape Navigator.

The U.S. software maker introduced version 2.0 of the software this spring, which includes "shock wave," a function enabling users to enjoy moving pictures and sounds at the same time.

At the end of April, the company also developed a trial 3.0 version, which can process three-dimensional images.

Microsoft plans to offer free of charge a new English version of its browser — Internet Explorer 3.0 — in mid-May and a Japanese version as early as the end of the month, the industry sources said.

Software is also being developed to obtain the maximum effect from the lowest possible volume data transmission, the sources said.

Such technology will enable users, for example, to display stock prices and the latest news on part of a computer screen while using another part of the screen to send and transmit E-mail, they said.

Japan: Toyota Considering Work Force Cut at Indonesian Venture

OW0805113496 Tokyo KYODO in English 1017 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 KYODO — Toyota Motor Corp. is considering reducing the work force at its joint-venture plant in Indonesia, apparently in reaction to competition from Jakarta's new national car program, Japanese Government sources said Wednesday [8 May].

The top Japanese automaker is studying cutting the jobs of some 1,000 seasonal workers in stages at a monthly rate of around 100 by refusing to renew their contracts, the sources said.

The joint venture, PT Toyota-Astra Motor, has some 5,000 local employees.

Indonesia's national car program grants import tariff and luxury sales tax exemptions to government-designated Indonesian automakers on condition that they raise their local content ratio to 60 percent in three years.

Industrialized countries, including Japan, have said Indonesia's program violates rules set by the World Trade Organization.

Since the announcement of the program in February, Indonesian consumers have held back from purchasing cars in anticipation of cheaper domestic models, the sources said. As a result, Toyota, which has the largest share in the Indonesia car market, and other Japanese-affiliated automakers, have cut back on production.

PT Timor Putra Nasional, controlled by Indonesia President Suharto's youngest son, Hutomo "Tommy" Mandala Putra, has already received government designation under the program. Linking up with Kia Motors Corp. of South Korea, the Indonesian company is expected to begin selling small passenger cars this summer.

Exempted from tariff and excise tax, the price of a car in the 1500 CC [cubic centimeter] class is expected to equal 1.6 million yen, half the price of its rival Toyota's Corolla model.

Indonesia is Asia's second largest car market after Thailand, with sales reaching 380,000 vehicles in 1995. Japanese automakers have captured more than 90 percent of the market, including Toyota's 25.5 percent in 1995.

North Korea

DPRK: Pyongyang Said Waiting for U.S. Explanation on 4-Way Talks

SK0705232796 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 7 May 96

[FBIS Translated Text] On 7 May, a spokesman for the DPRK Foreign Ministry answered a question raised by a KCNA reporter in connection with the rumors circulated worldwide on our position toward the proposal for four-way talks raised by the United States.

He said as follows:

We unveiled our position that we would examine the meaning and the feasibility of the four-way talks proposed by U.S. President Clinton on 16 April to initiate a peace process on the Korean peninsula.

This stems from our discreet consideration of making the most of all the possibilities that can guarantee peace and security on the Korean peninsula under the prevailing situation [igosun chosongdoen chongse haeso chosonbandoe pyonghwawa anjonul tambohalsu innun modun kanungsongul choedaehanuro sallyo nagaryonun uriui sinjunghan koryoro puto chulbarhan kosida].

It is a stark truth that because of the South Korean authorities' unprecedented war commotions for northward invasion and the acts of the U.S. bellicose quarters which actively support them [irul chokkuk twibatchimhanun migugui hojongyechungdurui haengdonguro malmiama], a strained situation heralding a war was recently created on the Korean peninsula.

Preparing against this situation, our People's Army could not but map out active countermeasures [chundongjogin taeungchaek] to defend the security of the fatherland and the gains of the revolution. Specifically, our People's Army took a decisive self-defensive measure of no longer observing the provisions of the Armistice Agreement concerning the Military Demarcation Line [MDL] of the DMZ since the southern portion of the DMZ has lost its buffer zone function and has become a new base for launching attacks for northward invasion.

Against the background of this situation, the United States proposed the four-way talks [irohan chongserul paegyonguro palpyodoeota].

In order to clearly grasp the meaning and purpose of the proposal raised by the United States, and to examine whether there are any other hidden intentions and whether such a proposal is practically feasible, we immediately asked the United States to provide a detailed explanation of the proposal [urinun migugi naenoun cheane chwijiwa mokchogul myongbaekhi paakhamyo kogie mojongui tarun kidoga kkallyo ichiannunji kurigo kurohan cheani kwayon hyonsilsongi innungosinji ttajobogi wihayo cheanedaehae kuchejoguro solmyonghae chulgosul chuksi yoguhayota].

If the proposal for four-way talks is truly aimed at preserving peace on the Korean peninsula and sets no preconditions, we think there will be no particular reasons or grounds for failing to give an understandable explanation for the proposal in accordance with our demand [uriui yogudaero cheane taehayo naptuk halsuinnun solmyongul hajimothan tukpyolhan sajongina iyuga issulsuoptago ponda].

However, to our regret, we have yet to receive any official explanation on this, and so our doubts about this proposal are increasing all the more with each passing day [kuronde yugamsuropkedo kue taehan kongsik solmyongul patchi mothago issumyo kurohayo narigalsurok ijeanedaehan uriui uisimun to kogagoita].

As we have consistently maintained in the past, it is a matter of fact that the issue of preserving peace on the Korean peninsula should be discussed and decided upon by the United States and us, the real parties to the Armistice Agreement.

Furthermore, under the condition in which the obsolete [kodorinan] Armistice Agreement cannot control the present touch- and-go situation on the Korean peninsula, establishing a new peace mechanism has become a pressing issue that can no longer be delayed.

However, in the proposal for four-way talks, nothing has been unveiled as to how all of our concerns will be dealt with.

Under this situation, even though a lot of time has passed by meaninglessly, we are going to wait a little more with utmost patience and self-control for the U.S. side to provide a necessary explanation [urinun iron sangtaeeso kusai chokchiannun siili mumaekhage hurogaginun haetchiman innaesonggwa chajeryogul choedaehanuro parhwihayo migukchugurobuto piryohan solmyongi ikkirul chomdo kidaryo pojagohanda].

In relation to the four-way talks, certain countries are saying this and that, expressing their support for it and calling on us to accept it. However, this will only complicate the situation.

Supporting or objecting to the four-way talks is an issue that should naturally be decided upon by us, the master, and is not something that will be decided upon by a third party's instruction [sajahoedam cheanul chijihagaennunga pandaehagaennunga hanungosun mattanghi chuinin uriga araso kyolchonghal munjeiji ku onu samjaga hunsihandagohayo toego andoel kurohan munjegaanida].

We will taste and judge whether it is sweet or bitter.

DPRK: Kim Yong-sam's Long-Term Economic Plan Said 'Preposterous'

SK0805101896 Pyongyang Korean Central Broadcasting Network in Korean 0800 GMT 8 May 96

[FBIS Translated Text] Making preposterous remarks is a stereotypical means used by those who face a ruinous crisis to deceive the people. A good example is seen in the remarks by the traitor Kim Yong-sam at a report meeting held on 6 May concerning the so-called long-term economic plan for the 21st century. At the meeting, the puppet traitor rashly spoke such words as economic opening, future-oriented state planning, and the like, and made the ridiculous act of mentioning a so-called economic power.

In short, Kim Yong-sam's long-term economic plan for the 21st century is that the government, people, and businesses will make joint efforts to make South Korea an economic power by 2020. Kim Yong-sam is the one who, under such slogans as internationalization and globalization, the concepts of which are not clear, pushed the South Korean economy into the whirl of world competition and reduced it to a habitat where advanced capitalist countries make money.

Kim Yong-sam talks about economic growth or something in a bid to hide his crime of having driven the South Korean economy into a ruinous situation and to increase his own worth. However, he cannot cover the truth with wicked talk.

The traitor Kim Yong-sam has mangled the South Korean economy with traitorous economic policies and has multiplied the people's hardships in living; he should admit and apologize for this crime. He should also immediately step down from power. The traitor Kim Yong-sam has no other choice.

DPRK: Kim Yong-sam's Plan for ROK Economy Criticized

SK0805033496 Pyongyang KCNA in English 0311 GMT 8 May 96

["Phrase-Mongering of Colonial Puppet" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — The traitor Kim Yong-sam called a "meeting on long-term economic plan for the 21st century" on May 6 and clamoured about "economic opening to the outside world" and "building an economic power."

This "plan" seeks an ulterior design to cover up all kinds of crimes he has committed and evade his responsibility for having plunged the South Korean economy into an extreme disorder and catastrophic crisis.

The South Korean economy has gone to extremes owing to the "opening" policy and "world competitiveness" moves pursued by the traitor Kim Yong-sam.

It is a colonial contract economy with no independent foundation. To make matters worse, Kim Yong-sam has left it to the mercy of foreign enterprises, driving production, circulation, consumption and all other domains of the economy into a catastrophic crisis.

This is illustrated by the fact that last year's trade deficit of South Korea was six times as much as the previous year's figure and the South Korean puppets are crying about "worst state of emergency".

Kim Yong-sam is now vociferating about "economic growth" and others in an attempt to cover up his crime in having driven the South Korean economy into a crisis and improve his public image. With nothing, however, can he conceal the truth.

He must admit and apologize for his crimes in having made havoc of the South Korean economy with his treacherous economic policy and impoverished the people's living and step down from power without delay.

DPRK: ROK Opposition Parties Demand Apology From Kim Yong-sam

SK0805085796 Pyongyang KCNA in English 0851 GMT 8 May 96

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — The South Korean opposition parties — the "National Congress for New Politics," the "United Liberal Democrats" and the Democratic Party — held a meeting at the "National Assembly" on Monday [6 May] and submitted an open questionnaire to the traitor Kim Yong-sam urging him to make a thorough investigation into frauds in the puppet parliamentary election, according to a radio report from Seoul.

Noting that the recent "election" was a fraudulent "election" backed by money, power and violence, they demanded a full investigation of the vote riggings, open apology for them and punishment of those responsible for them.

Accusing the "New Korea Party" of ignoring the people's vote against it in the "election" and tempting opposition and independent elects into it so as to destroy party politics, they urged the traitor Kim to make clear his view on its moves.

DPRK: ROK Opposition Leaders' Demand on Election Fraud Noted

SK0705111296 Pyongyang KCNA in English 0836 GMT 7 May 96

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — Presidents of the opposition "National Congress for New Politics" (NCNP) and the "United Liberal Democrats" (ULD) Kim Tae-chung and Kim Chong-pil met at the "National Assembly" on May 4 and demanded that the present "regime" admit the fact that the "general election" held in April was a fraud "election" as a whole, A Seoul-based radio report said.

Pointing out that the "New Korea Party" had barely got 34 percent of valid votes, they said this means it lost people's confidence. This is a people's stern demand that the present "regime" stop arbitrariness and refrain from abuses of power, they noted.

They stated that unless Kim Yong-sam takes a step to prevent recurrence of fraud "election" they can not but take a weighty decision such as rejecting the "formation of committees of the 15th National Assembly".

DPRK: SKNDF: Banner Praising Kim Il-song Observed at Sokcho Port

SK0805085696 Pyongyang KCNA in English 0849 GMT 8 May 96

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — Letters praising the great leader President Kim Il-song on a pillar of Sokcho Port market in South Korea on April 29 drew attention of people, according to the Seoul-based radio Voice of National Salvation quoting an information of the South Korean Kangwon Provincial Committee of the National Democratic Front of South Korea [SKNDF].

Written in red colour on a piece of white cloth 80 centimetres long and 24 centimetres wide were letters reading: "'Fellow countrymen! Let us commemorate April 15, the birthday of President Kim Il-song, as a great national holiday,' 'Long live rare legendary hero General Kim Il-song!,' 'President Kim Il-song is immortal in the hearts of our people!" All members of the union for the study of the chuche idea"

DPRK: Student Organizations Adopt Resolutions on Joint Struggle

SK0805093096 Pyongyang KCNA in English 0856 GMT 8 May 96

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — Resolutions on joint struggle were adopted on April 27 between student organizations of the North and the South of Korea.

They were made between the North Pyongan Provincial Student Committee and the Kwangju-South Cholla Provincial Federation of University Student Councils, between the Yanggang and Chagang Provincial Student Committees and the South and North Chungchong Provincial Federation of University Student Councils, between the South Hamgyong Provincial Student Committee and the Taegu-North Kyongsang Provincial Federation of University Student Councils, and between the North Hamgyong Provincial Student Committee and the Pusan-South Kyongsang Provincial Federation of University Student Councils, which are under the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon).

The resolutions held that backing the Chon Tu Hwan-No Tae-u group, who quelled the may 1980 Kwangju popular uprising, were the U.S. imperialists. They demanded that the U.S. imperialists, the mastermind of division and the enemy of reunification, make an open apology to the 70 million Korean nation for the criminal act of giving greenlight to and wirepulling the massacre in Kwangju.

The resolutions also demanded that the Kim Yong-sam "civilian" fascist clique unconditionally stop the crackdown on the struggle of students and the people of South Korea for independence, democracy and reunification, and step down from power without delay.

They held that the Kim Yong-sam regime and the U.S. imperialists should suspend, at once, the South Korea-U.S. joint military drills and the United States accede to signing a peace agreement with the DPRK replacing the Armistice Agreement.

They stressed the need to invigorate the struggle for the release of Chong Min-chu and Yi Hye-chong, the "birds of hope for reunification," and the struggle for the repeal of the "National Security Law", the bottleneck in reunification.

DPRK: ROK Student Enrolled Posthumously at University

SK0805034296 Pyongyang KCNA in English 0239 GMT 8 May 96

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — A student martyr Hwang Hye-in, who was studying at the 2nd grade of the physics department of the Songgyungwan University of South Korea, was registered as an honorary student of Kim Il-song University.

As an expression of strong protest with the fascist clique which are trampling down upon freedom and democracy and forcing fascism and division upon the people, the martyr set herself on fire and died a heroic death, shouting "down-with Kim Yong-sam".

In accordance with the decision of the joint meeting of presidents and rectors of universities and colleges in the northern half of Korea, Hwang Hye-in was registered as an honorary student of the 2nd grade of the physics course of the physics department of Kim Il-song University.

DPRK: Sweden, Denmark Show Solidarity for Korean People's Cause

SK0805101996 Pyongyang KCNA in English 0907 GMT 8 May 96

[Spelling of names as received]

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — Full support for the Korean people in their struggle for the country's reunification was voiced during activities for solidarity with the Korean people which were conducted in Denmark and Sweden on May Day.

The activities were participated in by Co-Chairman of the Nordic Cooperation Committee for Friendship and Solidarity With the Korean People Christen Amby, Chairman of the Communist Party of Sweden Rolf Hagel and other public figures and many citizens of the countries.

A solidarity demonstration, a book and photo exhibition, oral propaganda and a signature campaign took place in Copenhagen.

Chairman Anders Christensen and members of the Denmark-Democratic People's Republic of Korea Friendship Association and citizens marched along the street, shouting slogans with DPRK flags and placards reading "U.S. forces, go out of South Korea!" "Abolish the 'National Security Law' in South Korea!" etc.

They conducted oral propaganda, distributing photographs and materials showing the U.S. imperialists and the South Korean puppets hell-bent on the anti-DPRK campaign at a very dangerous stage.

In Stockholm political parties and anti-war peace organizations held a demonstration and a joint meeting.

Speaking at the meeting, Anders Carlsson, member of the Political Bureau of the Central Committee of the Communist Party-KPML (R) [expansion not given] in Sweden, bitterly condemned the United States and the South Korean puppets for political and military provocations against the DPRK and expressed full support and solidarity for the self-protecting measures taken by the DPRK, saying they are the most just steps.

DPRK: Pak Song-chol on Anti-Japanese Group Founding

SK0605084596 Pyongyang Korean Central Broadcasting Network in Korean 0703 GMT 5 May 96

["Report" by Pak Song-chol, member of the Political Bureau of the Workers Party of Korea Central Committee and DPRK vice president, given at the central report meeting marking the 60th anniversary of the Association for the Restoration of the Fatherland held at the 25 April Cultural Hall in Pyongyang — live]

[FBIS Translated Text] Comrades, 60 years have passed since the great leader [widaehan suryong] Comrade Kim Il-song, great sun of the nation and founder of socialist Korea, founded the Association for the Restoration of the Fatherland [ARF], the first united anti- Japanese national front organization in our country. On this significant day, under the authorization of the great leader of our party and people Comrade Kim Chong-il [widaehan yongdoja kim chong- il tongji] and in the name of the Political Bureau of the Workers Party of Korea Central Committee and the Republic Government, I extend warm congratulations to the anti-Japanese revolutionary fighters and the meritorious people of the anti-Japanese revolutionary struggle, who participated in the glorious anti- Japanese revolutionary struggle and made great contribution to achieving the cause to liberate the fatherland with the matchless heroic spirit and sacrificing spirit, and who are still devoting themselves at their outposts of socialist construction and fatherland defense. [applause] Along with this, I express my highest respect to the fallen anti-Japanese martyrs, who laid down their valuable lives during the arduous days of the anti-Japanese war for the restoration of the fatherland, for the liberation and freedom of the people, and for the victory of the revolution. [applause]

Commemorating the 60th founding anniversary of the ARF, our people are filled with boundless yearning for and admiration toward the fatherly leader as they recollect with deep emotion the immortal achievements of the Korea ARF registered during the arduous days of the anti-Japanese struggle under the wise leadership of the great leader [widaehan suryong] Comrade Kim Il-song. The great leader [widaehan suryong] Comrade Kim Il-song personally founded the Fatherland Restoration Society. Under the anti-Japanese banner, the organization made immortal achievements in accomplishing the historic cause of the fatherland liberation by achieving the unity of the entire nation and forming the strong main force of the revolution. [applause]

The great leader Comrade Kim Il-song brilliantly embodied the immortal chuche idea in the beginning of his days leading the Korean revolution, and regarded the cohesion and unity of the entire nation as one of the important strategic matters for the victory of the revolution. He tied all anti-Japanese patriotic forces in one and presented the unique line on establishing the united anti-Japanese national front in order to defeat the Japanese imperialists with our people's own strength, and wisely led the struggle to accomplish the line. Thanks to the chuche-oriented line on the united front presented by the great leader Comrade Kim Il-song, and his wise leadership, the Korean revolution was able to accomplish the unity of the wide range of anti-Japanese patriotic forces based on the worker-peasant alliance led by the working class since the first step on the road of independence and development under the banner of the chuche idea, and was able to persistently advance.

The revolutionary situation created in the mid-1930's earnestly demanded that the anti-Japanese national united front movement be further expanded and developed.

Based on his deep insight into the situation at home and abroad and into the demand of the developing revolution, the great leader Comrade Kim Il-song, at the historic Nanhutou Meeting in February 1936, put forward the policy for founding the permanent united front organization, as well as the policy for further expanding and developing the united front movement on a nationwide scale in close relation to the anti-Japanese armed struggles. He energetically led the struggle to achieve the policies, and opened a turning point in firmly establishing chuche in carrying out the Korean revolution.

Under difficult circumstances in which the arduous march and fierce combats continued, the great leader Comrade Kim Il-song worked out detailed plans on the organization, structure, missions and tasks of the anti-Japanese national united front. This was to be founded, and personally prepared by the programs, regulations and inauguration declaration of the united front organizations. He then organized the preparatory committee.

Based on such sufficient preparations, the great leader Comrade Kim Il-song, at the historic Donggang Meeting, finally declared the founding of the ARF to the entire world. [applause]

The Korean communists and people held in high esteem Comrade Kim Il-song, the legendary hero in the anti-Japanese struggle and peerless patriot, as the president of the ARS, reflecting the unswerving will and earnest desire that only when they firmly unite around the great leader [suryongnim], the sagacious leader of the nation and the lodestar of national liberation, can they achieve the unity and cohesion of the whole nation and the nation's liberation. They consolidated the resolution to unanimously rise in the sacred struggle for national liberation by following the leadership of the leader. [applause]

The ARF, founded by the great leader Comrade Kim Il-song, was the first comprehensive anti-Japanese national united front organization in our country, which united as one, all unity forces at home and abroad and ensured the united leadership over them. This was also a powerful clandestine revolutionary organization.

The founding of the ARF was an event with great significance in the anti-Japanese national liberation struggle in our country. [applause]

The great leader [yongdoja] Comrade Kim Chong-il has said: The founding of the ARF in May 1936 was an event with historic significance in uniting the popular masses from all walks of life, including the working people and peasants, around the great leader Comrade Kim Il-song, and in consolidating the party's mass foundation.

The founding of the ARF strengthened overall driving forces of the Korean revolution by firmly uniting the entire nation around the great leader Comrade Kim Il-song as one political force. This also led the overall anti-Japanese national liberation struggle to a new great upsurge, and opened the brighter prospect for our people in expediting the cause of national liberation with our own strength.

With the founding of the ARF, the anti-Japanese national united front movement could develop more organizationally and more systematically on a national scale, being closely linked to the anti-Japanese armed struggle. Thus, the mass foundation of the revolution has been comprehensively expanded and intensified.

The founding of the ARF also helped organize the preparatory works for the party founding and expanded the works into the inner part of the nation.

The founding of the ARF made great contributions to the development and expansion of the international antifascist people's front movement, which was being matured at that time, and actively encouraged the struggle of the world's people against fascism and imperialism.

By declaring the founding of the ARF, the great leader Comrade Kim Il-song announced the 10-point program of the ARF, which he personally planned and prepared in the days of arduous anti-Japanese struggle, and following this, he founded the organ of the ARF, SAMIL WOLGAN.

The 10-point program of the ARF, which reflects the immortal chuche idea of the great leader Comrade Kim Il-song, is a chuche- oriented and revolutionary program which most precisely reflected the concrete reality of the Korean revolution and our people's aspirations.

The 10-point program of the ARF worked as a basis for achieving the great unity of the nation which emerged as the supreme historic task of the Korean people at that time. This program was a bright lighthouse which comprehensively elucidated the basic tasks, which should be resolved in the stage of pro-democracy anti-imperialism and anti-feudalism revolution.

Thus, as soon as the 10-point program of the ARF was announced, it made the entire nation seething with surging patriotism and inspired a broad range of the popular masses, including the working people and farmers, to the sacred struggle for the restoration of the fatherland. The program worked as the banner of unity and as the banner of struggle. [applause]

Since he founded the ARF, the great leader Comrade Kim Il-song wisely led the struggle to rapidly enhance the organizational network of the restoration of the fatherland onto a national scale by firmly depending on the secret camp base in Mt. Paektu area, which was the central stronghold of the leadership of the Korean revolution.

The great leader Comrade Kim Il-song comprehensively expounded the principled issues raised in expanding and strengthening the ARF organizations, and personally showed an example of the mass political work. Thus, he expanded the ARF organizations by dispatching a number of political operatives and members of the People's Revolutionary Army, and wisely led the work to unite the masses so that the work was actively carried out.

It was possible for the ARF to increase its members by some 900,000 people from all walks of life during a short period of time after its foundation due to our people's consistent faith in the great leader [widaehan suryong] Comrade Kim Il-song, the 10-point program of the ARF, and the invincible driving force in the declaration of its creation. Also, centering on Mt. Paektu, its network of systems has been expanded from the northern region of Korea to various cities, farming and fishing villages throughout the nation, the broad regions of central and eastern regions, and even to Japan.

From the first day of its foundation, the ARF mobilized all united forces and achieved national unity, and played a great role in our people's struggle to achieve the country's liberation and victory in revolution and accomplished immortal achievements. [applause]

More than anything else, the organizations of the ARF firmly armed the members of the organization and people from all walks of life with the chuche line of the Korean revolution presented by the great leader [widaehan suryong] Comrade Kim Il-song, and endlessly strengthened the mass political work to make them highly uphold it centering around the respected and beloved leader [kyongaehanun suryongnim].

Due to the energetic activities of the organizations of the ARF, the endless admiration and faith of the popular masses toward the great leader [widaehan suryong] Comrade Kim Il-song were enhanced beyond comparison; and the members of the organizations and people highly upheld the respected and beloved leader [kyongaehanun suryongnim] as the center of unity, defended with the do-or-die spirit the command of the Korean revolution in which the leader [suryongnim] lives, and fought courageously by dedicating their youth and life to achieving the fatherland's liberation.

The organizations of the ARF worked so that the broad popular masses can actively assist the Korean People's Revolutionary Army [KPRA] spiritually and materially; in addition, they actively organized the struggle to assist the KPRA militarily, thus greatly contributing to strengthening and developing the anti-Japanese armed struggle.

Through the struggle to organize and mobilize the broad popular masses for the cause to fulfill the fatherland's liberation, the ARF fostered a lot of new chuche-type communist revolutionaries, achieved unity of the ideological will of the Korean communist movement based on the chuche idea, and contributed to firmly building the party's mass foundation.

In combination with the military and political activities of the KPRA, the great leader [widaehan suryong] Comrade Kim Il-song gave strategic policies on ceaselessly carrying out various kinds of anti-Japanese struggle by the ARF organizations to deal a great blow to the Japanese imperialist aggressors and accelerate preparations for an all-people's resistance on a national scale, and wisely organized and led its struggle for realization.

The great leader [widaehan suryong] Comrade Kim Il-song organized the para-military corps and workers' shock brigade under the guidance of the ARF, and centering on this, he unfolded the broad strategic plan on expanding the preparations for an all-people's resistance and personally visited various places in the country, including Sinhung and Hongsan Districts, and energetically guided the work to unite workers, farmers, and Chondoists in this region toward the all-people's resistance forces.

Upholding the strategic plan presented by the great leader Comrade Kim Il-song, political operation members and members of the People's Revolutionary Army, including the immortal and indomitable communist revolutionary fighter Comrade Kim Chong-suk, were dispatched to various areas, breaking through the enemies' tightly-guarded security nets. They waged remarkable activities there.

The great leader Comrade Kim Il-song advanced deep into the central area of the country and opened a breakthrough for preparations for the all-people resistance; and numerous political operation members—including the anti-Japanese heroin Comrade Kim Chong-suk, and members of the People's Revolutionary Army—waged active struggles. As a result, the underground revolutionary organizations and all-people resistance organizations were rapidly expanded in various areas in the country, including the area along the Yalu River around Mt. Paektu, the northern border area, the northern area of Korea, and the east coast area. Thus, a broad path was opened so that the preparations for the all-people resistance could be accelerated.

In early 1940, with his deep insight into the situation created at home and abroad and the demands of the revolution at that time, the great leader Comrade Kim Il-song presented a policy to organize the people's armed unit, which would play a leading role in the all- people resistance. Upholding this chuche-oriented policy of the great leader Comrade Kim Il-song, various revolutionary organizations, including ARF organizations, not only strengthened the political work among the masses to inspire people into an armed resistance, but also waged active activities to accelerate the preparations for an armed uprising in response to the KPRA's final offensive operations. Thus, they made great contributions to achieving the cause for national liberation.

This was the brilliant embodiment of the great leader Comrade Kim Il-song's chuche-oriented strategic ideology and policy to achieve the historic cause of national liberation with the Korean people's own strength by organizing and mobilizing the broad popular masses, while firmly trusting their strength. [applause]

Indeed, the ARF — which showed the genuine appearance of the patriotic, revolutionary, mighty united front for the first time in the long history of our nation, was a monumental creator that the Korean communists registered in the history of struggle for the anti-Japanese national liberation of our country. [applause]

The ARF fully demonstrated to the world our people's staunch mettle in the sacred fight against the Japanese imperialists by forming the anti-Japanese national united front in the area of Mt. Paektu. [applause]

The founding of the ARF and its struggle achievements vigorously confirmed the precious truth that only the people who uphold the great leader [widaehan suryong] can form an immortal political force based on one ideology and one center and can victoriously pioneer the revolutionary road with own strength.

Our people were able to successfully push ahead with the work of building a new democratic Korea with their united strength even under the complicated circumstances right after national liberation and to achieve the brilliant victory in the fatherland liberation war thanks to the tradition of great national unity and the noble achievements the great leader Comrade Kim Il-song registered in the flames of the arduous anti-Japanese revolution. Our people were also able to outstandingly build a powerful socialist state of independence, self-reliance, and self-defense on this land with the might of the single-hearted unity of the entire party, the entire Army, and all of the people. [applause]

The tradition of cohesion and unity that the great leader Comrade Kim Il-song achieved in the flames of the anti-Japanese revolutionary struggle is being more brilliantly inherited and developed at a new and high stage of the developing revolution, in which the whole society is being modeled after the chuche idea under our party's leadership. [applause]

Regarding cohesion and unity of the party and the popular masses as one of the fundamental problems related to the destiny of the revolution, the great leader [yongdoja] Comrade Kim Chong-il has constantly and wisely led the work of strengthening the single- hearted unity of the leader, the party, and the masses in every period and every phase of the developing revolution. Respected and beloved Comrade Kim Chong-il, by brilliantly embodying the great leader's [suryongnim] ideology of great national unity, saw to it that all of the Korean compatriots in the North, the South, and overseas firmly unite under the ideal of patriotism and nation-loving and vigorously wage the struggle for national reunification and for the nation's grandeur and prosperity, transcending the differences in ideologies, systems, political views, and religions.

Under the lofty ideal to achieve the nation's unity, all of the Korean compatriots in the North, the South, and overseas are now vigorously struggling for the country's reunification and for the consummation of the chuche cause, while cherishing the great dignity and honor as the nation of Kim Il-song and upholding respected and beloved Comrade Kim Chong-il as the lodestar of great national unity and national reunification. [applause]

Indeed, the whole course, on which the ARF was founded under the ideal of great national unity and on which the cause of the Korean revolution has been developed victoriously, clearly proves the noble truth that the road for our nation's survival lies in unity and that the road for grandeur and prosperity of the country and the nation also lies in unity.

At this significant occasion of marking the 60th anniversary of the founding of the ARF, we offer, with the boundless adoration and burning heart of loyalty of all the people of the entire country, the most sublime reverence and immortal glory to the great leader of our party and our people Comrade Kim Il-song, who firmly united the entire nation under the banner of the anti- Japanese struggle, achieved the historic cause of fatherland restoration, and built the most superior popular mass-centered socialism on this land. At the same time, we offer the greatest honor and warmest gratitude to the great leader of our party and our people, who is wisely leading all the people and the entire nation to the struggle for the country's reunification and national growth and prosperity inheriting the lofty will of the leader. [applause]

Comrades: Today, we have the honorable and heavy task of completing the chuche socialist cause and realizing the cause of the country's reunification, brilliantly inheriting and developing the tradition of the unity and cohesion which the great leader Comrade Kim Il-song achieved in the glorious anti-Japanese revolutionary struggle. The immortal achievements—which the great leader Comrade Kim Il-song made while overcoming all sorts of trials and difficulties during the 20-year-long anti-Japanese revolutionary struggle, uniting the entire nation firmly under the banner of fatherland restoration, and leading the anti-Japanese war to victory with the invincible might of this unity—blossom resplendently on this land of socialism as the lasting wealth and noble assets for the everlasting prosperity of the chuche Korea. [applause]

As we have done in the past, we must, in the future as well, uphold forever the great Comrade Kim Il-song [widaehan kimilsong tongji] as the eternal leader of our party and revolution and as the sun of chuche, advance along the single road of the revolution which the leader trod, and do all work in the style of the great Comrade Kim Il-song.

We must persistently keep up the great leader Comrade Kim Il- song's revolutionary ideology, the chuche idea, as the great guiding ideology of our party and revolution; embody it thoroughly in all fields of the revolution and construction; and resolutely defend, adhere to, and generation after generation add luster to the immortal revolutionary tradition and achievements, which the leader made. [applause]

To unite firmly and wholeheartedly around the respected and beloved Comrade Kim Chong-il [kyongaehanun kimjongil tongji] and uphold the general's leadership with loyalty is a decisive guarantee for fulfilling the chuche revolutionary cause which the great leader pioneered and led. The martyrs of the anti-Japanese revolutionary struggle, the members of the ARF, upheld the great leader Comrade Kim Il-song as the center of unity during the arduous and grim period of the anti-Japanese revolutionary struggle and maintained the revolutionary faith and constancy in any adversity, defending the headquarters of the revolution with the death-defying spirit.

All party members, the working people, and officers and men of the People's Army should follow the lofty revolutionary spirit displayed by the fallen anti-Japanese revolutionary fighters; should absolutely trust and follow only the great leader Comrade Kim Chong-il, who is our destiny and the supreme nerve-center; and should become the loyalists and rifles and bombs who resolutely safeguard and defend the respected and beloved supreme commander wherever and whenever politically, ideologically, and with their lives. [applause]

The single-hearted unity centering around the leader [yongdoja] forms the core element in the revolutionary tradition of our party and is the basic source of all victories.

We should firmly inherit the tradition of single-hearted unity centered on the leader [suryong] which has been developed and deepened since the formative period of the Korean revolution and should unite around the great leader Comrade Kim Chong-il. In this way, we should more firmly defend and deepen cohesion and unity of the party and the ranks of the revolution.

All party members and the working people should deeply realize that properly carrying out the socialist economic construction is the (?useful) work to defend socialism and to achieve our fatherland's grandeur and prosperity and should vigorously struggle with the might of single-hearted unity. In this way, we should effect upsurges in production and construction.

All party members and the working people should deeply cherish the party's lofty intent that one should not live for today, but live for tomorrow and should bravely break through all sorts of difficulties with their own strength by displaying the spirit of arduous march, the revolutionary spirit of self-reliance and fortitude, in conformity with the demands of the prevailing situation. In this way, they should thoroughly implement the party's revolutionary economic strategy.

All of the people should have boundless attachment to the socialist fatherland and should treasure and love even a clump of grass and one tree. They should also properly manage roads, streams, and rivers and should more assiduously manage cities and villages.

All party members, the people, and officers and men of the People's Army should have the firm faith and revolutionary optimism that as long as the respected and beloved Supreme Commander Comrade Kim Chong-il is with them, they will win victory without fail and should more firmly develop the political and ideological position, economic position, and military position—which are the three major positions of our-own-style socialism—into invincible fortresses. Thus, they should vigorously demonstrate the mettle of the socialist Korea advancing under the banner of the red flag of the revolution. [applause]

The situation on the Korean peninsula has become more acute with each passing day due to the maneuvers of the South Korean ruling circles for division and war. Under this circumstances, we are struggling for socialist constnıction and national reunification today.

Strongly instigated by bellicose U.S. circles, the South Korean authorities persistently turned their back on our generous proposal for peaceful reunification and on the entire nation's aspiration for reunification, and engaged in crazy military commotions, leading the situation of our country to its worst.

Facts plainly show that the incumbent South Korean ruling camp is the most evil enemy of the fatherland reunification, and a group of war maniacs and complete flunkeyists and nation sellers.

National reunification is our nation's cause of independence, of which no one can take the place: and is also the nationwide cause, which the entire nation should achieve with united strength.

To achieve national reunification with the nation's strength, the entire nation should firmly unite as one under the banner of the 10- point program for great unity of the whole nation presented by the great leader Comrade Kim Il-song when he was alive.

The 10-point program for great unity of the whole nation reflects the chuche-oriented ideology for great unity of the nation presented by the great leader Comrade Kim Il-song during the sacred war for national liberation and the noble experience he achieved on the course of his protracted struggle for the embodiment of the 10-point program. Clearly reflected in this 10-point program are also the (?revolutionary) principles and methods for achieving national unity.

Those who truly love the nation and want reunification should firmly be united under the 10-point program for great unity of the whole nation, transcending the differences in political views, religions, and systems. Thus, they should make a contribution to the cause of national reunification in accordance with specific circumstances and conditions of their own strength, knowledge, and property, as the entire nation fought in the past, firmly rallying under one united front, holding aloft the banner of national liberation.

The prospects of reunification are optimistic, and the leader's [suryongnim] behest for reunification will be achieved without fail because there is the lofty will for national reunification bestowed by the great leader Comrade Kim Il-song, the eternal sun and father of the nation, through his fervent faith and efforts, and because there is our party's just reunification policy. [applause]

When all the people firmly unite as one mind around the great leader [yongdoja] Comrade Kim Chong-il and vigorously struggle, as all fellow countrymen brilliantly achieved the cause of national liberation in the past by firmly uniting while upholding the great leader Comrade Kim Il-song as the center of great national unity, our fatherland will continue to enjoy grandeur and prosperity, and the day when the entire nation can lead a happy life on a reunified and rich land will come without fail. [applause]

Let all of us vigorously struggle for the independent and peaceful reunification of the fatherland and for the consummation of the chuche revolutionary cause, holding aloft the red flag of the revolution, in which the great leader Comrade Kim Il-song's whole life is reflected, and under the wise leadership of respected and beloved Comrade Kim Chong-il. [applause]

Long live the revolutionary ideology of Comrade Kim Il-song, the great leader of our party and our people! [applause and shouts]

Long live the Workers Party of Korea, which is the organizer and leader [yongdoja] of all victories of the Korean people! [applause and shouts]

DPRK: Kim Yong-nam Meets With Various Libyan Political Leaders

SK0805105796 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 7 May 96

[FBIS Translated Text] Kim Yong-nam, vice premier and foreign minister of our country, and his entourage stayed in Libya from 30 April to 5 May. During his visit to Libya, the foreign minister was invited to a banquet arranged by the secretary of the External Liaison and International Cooperation Bureau of the Libyan National People's Committee.

Permanent secretaries of the External Liaison and International Cooperation Bureau and other Libyan functionaries of sectors concerned were present at the banquet. Invited to the banquet were the DPRK foreign minister and his entourage, the DPRK ambassador to Libya and embassy staff, and ambassadors of many Asian countries to Libya.

The banquet was held in an atmosphere filled with great respect and admiration for the great leader [suryong] Comrade Kim Il-song and the great leader [yongdoja] Comrade Kim Chong-il.

The foreign minister also met and conversed with the assistant secretary of the Libyan General People's Congress and the secretary of marine resources.

The foreign minister and his entourage visited the (Chawia) Oil Refinery.

DPRK: Kim Chong-il Receives Telegrams From Foreign Leaders

SK0805030496 Pyongyang KCNA in English 0236 GMT 8 May 96

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — The great leader Comrade Kim Chong-il received telegrams from first Prime Minister Norodom Ranariddh and second Prime Minister Hun Sen of Cambodia on the occasion of the birth anniversary of the great leader President Kim Il-song.

They noted in the telegrams that the Cambodian people always remember the historical and important support and care shown by His Excellency Generalissimo Kim Il-song, with friendly feelings, all his life to His Majesty Norodom Sihanouk from the period of the People's Social Union of Cambodia.

The Cambodian people will record the benevolence and solicitude forever in the history of the two countries, the DPRK and Cambodia, and bring them into full bloom and develop the good relations between the two countries through generations, they stressed.

Comrade Kim Chong-il also received telegrams from O. Shenin, chairman of the Council of the Union of Communist Parties-the Communist Party of the Soviet Union, V. Tyulkin, first secretary of the Central Committee of the Communist Workers' Party of Russia, and Miroslav Stepan, secretary general of the Central Committee of the Czechoslovak Communist Party.

DPRK: National Seminar on Chuche Idea Held in Guinea 26 Apr

SK0605103696 Pyongyang KCNA in English 1012 GMT 6 May 96

[FBIS Transcribed Text] Pyongyang, May 6 (KCNA) — A national seminar on the chuche idea was held in Guinea on April 26 on the occasion of the birth anniversary of the great leader President Kim Il-song.

A keynote speech was made by the secretary general of the African Regional Committee for the Study of the Chuche Idea at the seminar, followed by speeches of teachers and students of various universities in Guinea.

The speakers pointed out that the respected leader Comrade Kim Il-song splendidly built the Korean-style socialism centred on the masses on the basis of the chuche idea and greatly encouraged the world's people to struggle for independence.

They said his excellency President Kim Il-song was a great leader, outstanding strategist and distinguished fighter, who performed enduring feats for the Korean revolution and the cause of human emancipation.

They noted that, under the wise leadership of the great Comrade Kim Chong-il, the Workers' Party and the people of Korea are intensely revering his excellency President Kim Il-song and faithfully carrying to accomplishment his idea and cause.

They stressed that the progressives over the world will always highly praise President Kim Il-song, who performed immortal feats for the Korean people and humankind of the world, as a great leader.

The minister of youth, sports and art of Guinea, Dakoun Toumani Sakho [spelling of name as received], said, concluding the seminar, that the chuche idea is a progressive idea and that the participants should make a deeper study of the chuche idea in future to carry the universal principles of the idea into reality of Guinea.

A letter to Comrade Kim Chong-il was adopted at the seminar.

DPRK: Foreign Policy Said 'Consistent;' 'Opening' Denied

SK0805091796 Pyongyang KCNA in English 0913 GMT 8 May 96

["DPRK's Policy Consistent" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — Some western officials and mass media describe the moves for development of relations between the DPRK and Western countries as meaning "change in the policy" of the DPRK and spread the false rumour that the DPRK is moving toward "opening" because of "economic difficulties."

They go so far as to say the DPRK is going to develop economic relations with Western countries because the "independent economy is limited" and there is "big change in its economic policy."

This is a despicable attempt to slander the best socialist system of Korean style in the world and impair the international image of the DPRK.

It is the consistent foreign policy of the Workers' Party of Korea and the DPRK Government to develop good neighbourly relations with the capitalist countries that are friendly toward the DPRK.

The relations between the DPRK and Western countries have been abnormal because the United States and other Western countries restrained their development through sanctions, blockade and military and economic pressure on the DPRK.

It is inconceivable that the DPRK Government, which regards independence as its lifeblood, tries to improve its relations with the Western countries while being exposed to unreasonable sanctions and pressure.

The relations between the DPRK and the Western countries began to improve as the latter expressed interest in the development of relations with the former in the wake of the adoption of the DPRK- U.S. framework agreement, which is now being implemented.

This is a positive development of the situation that fully meets the demands and interests of the peoples of the DPRK and the Western countries. This is also patent proof of the validity of the foreign policy of the DPRK Government.

The DPRK has nothing particular to "open to the outside world" and the word "opening" has no meaning to the DPRK. Its domestic and foreign policies are consistent.

No matter what others may say, we will develop relations with all Western capitalist countries that are friendly toward the DPRK as ever in accordance with our foreign policy.

DPRK: Talk Expounds 'Victorious' Cause of Socialism

SK0805082496 Pyongyang Korean Central Broadcasting Network in Korean 2245 GMT 1 May 96

[Unattributed talk: "The Cause of Socialism, the Cause of Independence, Is Ever-Victorious and Invincible"]

[FBIS Translated Text] The great leader Comrade Kim Il-song clearly elucidated that the cause of socialism, the cause of independence, is inevitably victorious and that the collapse of capitalism is inevitable, based on his deep analysis of the inherent characteristics of events now taking place on the international scene today.

The great leader Comrade Kim Il-song taught that history is still developing along the road of independence despite the maneuvers by the imperialists and reactionaries in order to reverse the forward movement of history.

We can say that a series of developments taking place on the international scene today are generally the tempestuous trials, which emerge in the course of mankind's advance toward a new independent world.

We can successfully build socialism only according to socialist principles. If we ignore this truth and fail to correctly embody socialist principles in socialist construction, we will be unable to escape frustration, but will advance toward the road of returning to capitalism, and, thus, will impose innumerable sufferings and misfortune on the people. This is a serious lesson proven by the realities of the countries which have returned to capitalism.

Where socialism has been frustrated, political instability and social chaos have been created; economic crisis and massive unemployment have followed; extreme poverty has been prevalent among the working masses of people; and various crimes are rampant. This is a stark fact that no one can deny. Competition under the jungle's law based on the private ownership inevitably begets exploitation and oppression; reduces the working people to the slaves of money; and deepens the contradiction of the rich-get- richer and the poor-get-poorer. This is also a stark reality.

Socialism is the ideology which has embodied social human beings' inherent nature to live independently by doing away with exploitation and oppression of man by man. It is also the cause for the popular masses which bestows genuine democratic rights and freedom upon the popular masses, which provides them with an equal and affluent material life, and which guarantees a sound and affluent mental and cultural life for them.

Only socialism can make the popular masses the masters of the state and society and the masters of their destinies. It also provides them with a genuine independent and creative life. The incomparable superiority of socialism over capitalism has been fully proven by history and is also being more clearly proven again by today's realities.

The history of mankind is the history of struggles to achieve the independence of the popular masses, and the developing course of the history of mankind is precisely the course in which the independence of the popular masses has been constantly expanded.

Human beings' inherent nature cannot change. Likewise, human beings' desire to do away with exploitation and oppression of man by man and to live independently cannot change. This is why the popular masses struggle to achieve this desire and why history advances along the road of independence on the strength of this struggle.

It is no doubt that today's complicated realities and developing situation will further awaken the popular masses. The imperialists are clamoring about the so-called crisis of socialism. However, it is none other than the imperialists who are suffering incurable diseases and who are being driven into a crisis from which they cannot extricate themselves. What the popular masses, the main force of history, aspire is to make a new society free from exploitation and oppression in which all people enjoy an independent and creative life as the masters of the state and society and as the masters of their own destinies; but what the imperialists, the reactionaries of history, seek is to continuously maintain the old society in which exploitation and oppression of man by man prevail.

Imperialism, which is going fast downhill after terminating its years, cannot decide the destiny of the people nor can it reverse the trend of history.

It is no doubt that as history advances and as man's independence and creativity are enhanced, socialism will have a greater driving force and win victory without fail. On the contrary, capitalism, in which money dominates everything, will turn to inhumanities with each passing day and be destined to be destroyed eventually by the people who are armed with independence.

As taught by the great leader Comrade Kim Il-song, we should not view the changing process of the present situation pessimistically, but should view it objectively, and should more staunchly struggle along the road of independence with a firm faith in socialism.

To lead the cause of socialism, the cause of independence, to victory, it is imperative to strengthen unity with the people of the world.

The strategic goal that the imperialists are seeking today is to completely crush socialism, to revive their colonial system, and, thus, to realize their global domination. To this end, the imperialists are attempting to impose military and political pressure on the countries which are advancing toward the road of independence, and to threaten them; to buy off and make them subordinate economically; to destroy and split them ideologically and culturally.

Strengthening unity of the world's people is a decisive guarantee to successfully smash these maneuvers by the imperialists, to defend the cause of socialism, the cause of independence, and to achieve the victory of this cause.

The people of the world should firmly unite under the anti- imperialist banner for independence and should actively struggle to smash the imperialists' colonial policy and to build a free, peaceful new world.

Independence, peace, and friendship are the basic ideal that the government of our Republic has consistently adhered to in its foreign policy. This has a universal significance in developing international relations in conformity with the demands of making the world independent.

We will strengthen unity and solidarity with socialist countries under the principle of independence and in the spirit of comradely cooperation. We will also fight, shoulder to shoulder, with the people of fraternal socialist countries in order to achieve the victory of the cause of socialism. Along with this, we will further strengthen friendship and cooperation with nonaligned countries and will make active efforts to strengthen and develop the Nonalignment Movement in conformity with the demands of the new developing situation.

We will also firmly unite with all of the peace-loving people around the world, and will make all possible efforts to check and frustrate the imperialists' maneuvers for aggression, interference, and harassment; to renounce mass-destructive weapons, including nuclear weapons; and to preserve peace and security in Asia and the rest of the world.

No matter how complicated the international situation may be today, the people's cause for socialism, the cause of independence, will be victorious without fail.

Mankind will smash the imperialists' maneuvers against socialism, independence, and progress and will invariably advance along the road of socialism, the road of independence.

DPRK: Talk Stresses Independence in Foreign Policy

SK0805060096 Pyongyang Korean Central Broadcasting Network in Korean 0750 GMT 4 May 96

[Unattributed talk: "Independence, Peace, and Friendship Are the Basic Ideals of Our Republic's Foreign Policy"]

[FBIS Translated Text] The great leader Comrade Kim Il-song has taught: Independence, peace, and friendship are the basic ideals of our Republic's foreign policy. This has the universal significance of developing international relations in conformity with the demand of imbuing the entire world with independence.

Today, our Republic is developing its international relations with other countries under the ideals of independence, peace, and friendship. Independence, peace, and friendship are the basic ideals of our Republic's foreign policy originally put forth by the great leader.

The great leader Comrade Kim Il-song has put forth independence, peace, and friendship as the basic ideals of our Republic's foreign policy starting from the chuche idea and based on his scientific insight into the basic characteristics of the present times and the trend of the development of international relations.

These ideals are the revolutionary foreign policy ideals that enable us to defend, adhere to, and add further luster to the popular mass-centered socialist system of our own style by the acceleration of the socialist system in our country. At the same time, these ideals are the noble ideals for all mankind that enable the people of the world to strengthen international solidarity and to truly contribute to the cause of imbuing the entire world with independence.

To defend, adhere to, and add further luster to the socialist cause in our country, we must continuously maintain the firm principle of independence in politics, self-reliance in economy, and self-defending capability in national defense. While accelerating the revolution and construction, we must exercise complete right of independence in external relations and provide an advantageous international environment for our revolution.

Moreover, to build an independent and peaceful new world, all the countries must solidify national independence, reject aggression and war, ensure lasting and durable peace, and continuously develop friendly and cooperative relations on the principle of equality and mutual benefit.

All this can only be realized when we advance under the banner of independence, peace, and friendship.

The ideal of independence shares the most important position in the basic ideals of the foreign policy of our Republic. The ideal of independence is the basic cornerstone that regulates all the external policies and activities of the government of the Republic.

Independence is the lifeline of the country and the nation and the basic symbol of an independent, sovereign state. We must embody the ideal of independence in the activity of the state to achieve the dignity of the nation and the independent development and prosperity of the country and successfully realize the cause of imbuing the entire world with independence.

Independence is the basis of all relations between states. All countries and nations have independent and equal rights as equal members of the international community. Therefore, no privilege or high-handedness should be allowed in international relations. Complete equality should be ensured based on mutual respect and independence.

The ideals of independence enable countries to have state relations and develop friendship and cooperative relations based on independence to help promote both the nation's independent development and mankind's cause of independence.

The government of the Republic establishes its foreign policy independently, always in an independent position, defends the country's sovereignty thoroughly, and disposes of all the problems arising in international relations according to its own belief and judgment.

The government of the Republic thoroughly rejects the interference, pressure, threat, and blackmail from all sorts of external forces. It respects the sovereignty of other countries and resolutely opposes all attempts and maneuvers for encroaching on others' sovereignty and interests or interfering in others' internal affairs. At the same time, it actively supports the cause of justice of the peoples of all countries against the imperialists' domination and subjugation and for national sovereignty and liberation.

By firmly maintaining independence, our people firmly maintain their belief and principle toward the revolution and are vigorously advancing along the road of socialism they themselves have chosen.

The ideal of peace is an inevitable demand that originates from the nature of the state and social system of our country. In our country—in which the most superior social system is at work where the working popular masses are masters of everything and where everything serves the working popular masses—there is no class or stratum that takes interest in aggression and war against other countries. All the people wish lasting and durable peace and security to settle in our country and the world.

Our people's cause of socialism and cause of the country's reunification can be successfully realized when a peaceful environment is created. Therefore, the government of the Republic is actively embodying the ideal of peace in its external activities.

The government of the Republic resolutely opposes the imperialists' policy of confrontation with strength and policy of aggression and war, and invariably calls for the suspension of arms buildup, the disbanding of military blocs, the abolition of foreign military bases, and the withdrawal of foreign troops. It also calls for the establishment of nonnuclear zones and peace zones in various places of the world, prohibition of testing, production, storage, and use of nuclear weapons in all areas of the world, and the complete abolition of all nuclear weapons.

The ideal of peace firmly ensures the peace-loving policy and peaceful external activities of the government of our Republic.

To strengthen friendship with other countries is the firm policy of our Republic. The ideal of friendship reflects the aspiration of our people and the world's progressive people who wish to form and develop relations among countries on the basis of independence and equality.

Our country is a part of the world, and our people's socialist cause develops in close relations with the cause of independence of the people of the world. For our people to win victory in their socialist cause, they must not only strengthen the chuche revolutionary force but strengthen the world's force of independence and strengthen solidarity with it.

We must continuously expand and develop friendly relations with the countries of the world to strengthen the international position of our Republic, to defend our people's national interests and sovereignty, and to accelerate the victory of the cause of independence.

Uniting with the people of the world advocating independence is the invariable principle of the government of the Republic. The government of our Republic gives priority attention to developing friendly relations with the world's progressive countries, including socialist countries and nonaligned countries, according to the ideal of friendship. At the same time, it forms friendly relations with the capitalist countries that treat our country with good will, develops economic and cultural exchanges with them, and, in particular, pays due attention to developing the friendly relations with the Asian countries which are geographically located near our country.

Our Republic advanced under the banner of independence, peace, and friendship, crushing the maneuvers of the imperialists and reactionaries to isolate and stifle our country and obliterate our socialist cause, dependably defended the country's peace and security, and greatly enhanced the country's international position and authority.

The government of our Republic will, as it has done in the past, continue to thoroughly implement the ideals of independence, peace, and friendship to accelerate socialist construction in our country and actively contribute to imbuing the entire world with independence.

DPRK: Party Given for Zimbabwean Government Delegation

SK0705040296 Pyongyang KCNA in English
0340 GMT 7 May 96

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — The government of the Democratic People's Republic of Korea gave a party for the visiting Zimbabwean Government delegation led by Foreign Minister I.S.G. Mudenge at the Mansudae Assembly Hall on Monday.

Speaking at the party, First Vice-minister of Foreign Affairs Kang Sok-chu recalled that the two peoples have long ago established a bond of friendship and supported and cooperated closely with each other on the road of building new society.

"The Zimbabwean people, under the leadership of respected His Excellency President Robert G. Mugabe, have been making strenuous efforts for consolidating the political stability of the country and developing the national economy," he said, adding "the Korean people sincerely wish the fraternal Zimbabwean people bigger success in the work for building a new society."

Zimbabwean Foreign Minister I.S.G. Mudenge said in his speech that they have been unable to repress the sorrow at the loss of the great President Kim Il-song from the moment they landed on Korea, noting he is an eternal leader of the Korean people.

Noting that the great leader Comrade Kim Chong-il is wisely leading the affairs of all domains including the party, the state and the Army of Korea, he emphasized that he will lead the Korean people to a greater prosperity.

Calling for closer cooperation between the two countries in international relations, he said Zimbabwe supports the Korean people's noble aspiration for national reunification and welcomes the endeavourings of Korea to reunify the country in a peaceful way.

DPRK: NODONG SINMUN Calls Bourgeois Democracy 'Antisocial'

SK0705090496 Pyongyang KCNA in English
0847 GMT 7 May 96

["Bourgeois Democracy is Anti-Social 'Democracy'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — NODONG SINMUN today carries a signed article headlined "bourgeois democracy is anti-social 'democracy'".

The more loudly the imperialists and reactionaries are crying out for "democracy", the further the disadvantages and deceptive nature of the anti-social capitalist system will be brought to light, the author of the article says, and goes on:

Bourgeois democracy the imperialists and reactionaries urge others to adopt is anti-social "democracy". There can be no genuine democracy in the imperialist countries. If any it is for a handful of the exploiting classes and it becomes dictatorship to the working masses. The imperialists and reactionaries advertize the bourgeois parliamentary system and bourgeois multi-party system as "democracy." But it is the major monopoly capitalists who manipulate politics behind the scenes.

Major monopoly capitalists manipulate all the policies in their own interests, taking hold on the state power, the means of production and all ideological and cultural means.

The Rockefeller family of the United States is an example. Nearly all major posts including the president, the state secretary, the defence secretary and the finance secretary of the U.S. administrations ranging from warmaniac Eisenhower to Bush were taken by those who were trained or supported by the Rockefeller business group. Now more than 5,000 main seats of the U.S. administration and the Congress are reportedly occupied by persons close to the Rockefeller business group.

The exploiting classes in the imperialist countries extremely restrict the development of the political life of working masses because they consider that their right to political domination will be in danger if the political position and role of the masses are enhanced.

Individualism, egoism and dollar-is-almighty principle are fundamental in the capitalist society. That is why immorality, depravity, murder, robbery and all other social vices prevail over these countries and the people live in uneasiness and fear. It is evident that true freedom and human rights cannot be imagined under such conditions.

The advertizement of the imperialists and reactionaries about the capitalist society as "democratic society" is a deception of reality and nonsense.

With no deceptive moves can they cover the corruptness of the anti-social, anti-democratic capitalist system.

DPRK: Embassy Hosts Korea-Poland Friendship Gathering 7 May

SK0805034596 Pyongyang KCNA in English 0241 GMT 8 May 96

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — The Korea- Poland Friendship Association sponsored a friendship gathering on Tuesday on the occasion of the national day of the Polish people.

Invited to the gathering were the charge d'affaires ad interim of the Polish Embassy in Pyongyang, Stanislaw Skowron and his embassy officials.

Present there were Kim Yong-su, vice-chairman of the Committee for Cultural Relations With Foreign Countries and vice-chairman of the Korea-Poland Friendship Association and other officials concerned.

The participants conversed in a cordial atmosphere and appreciated the Korean documentaries "Kimchongilia" and "Korea's Handicrafts".

DPRK Paper Praises Kim Chong-il's Party Building Achievements

962C0056A Pyongyang NODONG SINMUN in Korean 6 Feb 96 p 2

[Article by Sung Chae-sun, No Yong, and Pak Chong-nam: "Brilliant, Historic Achievements in the Implementation of the Leader's Party Building Line"]

[FBIS Translated Text] The glorious Workers Party of Korea [WPK] is Comrade Kim Il-song's party identified with his esteemed name.

Today, whenever our party and people mention the WPK, the image of the benevolent fatherly leader comes to their minds; and whenever they think about the high dignity and honor of our party, they mentally trace back the hallowed footprints of the respected and beloved Comrade Kim Chong-il's leadership. The great leader and the WPK are one and the same, and likewise the WPK and Comrade Kim Chong-il are one and the same.

Because it is led by the respected and beloved Comrade Kim Chong-il, the WPK shines as Comrade Kim Il-song's party, the party which is committed to fulfilling the great leader's ideology and cause to the end by inheriting and passing them on from generation to generation.

The respected and beloved Comrade Kim Chong-il has developed the WPK into the great leader Comrade Kim Il-song's party, and that is his greatest ever historic achievement.

The great leader [yongdoja] Comrade Kim Chong-il pointed out as follows: "As I always say, the working-class party must be the leader's party."

To begin with, the working-class party is the leader's party. The party must be a political organization which, holding the leader in high esteem, implements his ideology and leadership. The cause of building the leader's party is brought to completion by his successor, who is infinitely loyal to him. If the leader is the pioneer of the party building cause of the working class, his heir is the man who leads the leader's party building cause. The reason parties which were identified by the names of their leaders failed to hold fast to their revolutionary character and degenerated is that their leaders had no true heirs to follow.

The WPK is a glorious party which was founded by the sagacious leadership of the great leader Comrade Kim Il-song and which has explored the new way of building a revolutionary party in the age of self-reliance. Our party must be strengthened and developed as Comrade Kim Il-song's party in view of the history of its creation and development as well as its ideals and mission. This fundamental issue in building our party was solved most brilliantly by having the respected and beloved Comrade Kim Chong-il at the top of the party and the revolution.

The respected and beloved Comrade Kim Chong-il is the builder and leader of the party, who very early, upholding the revolutionary banner of the chuche ideology, wisely led in the vanguard our party's historic cause of building itself into the great Comrade Kim Il-song's party.

It was the respected and beloved Comrade Kim Chong-il who illuminated the bright road of building our party as the leader's party; it was the respected and beloved Comrade Kim Chong-il who radically changed the features of our party so that it might realize the leader's ideology and leadership; it was the respected and beloved Comrade Kim Chong-il who laid the firm foundations for preserving the revolutionary character of the party by carrying it from generation to generation. Etched in the road of victory and honor, which our party has traversed as the leader's party, are the hallowed footprints of the respected and beloved Comrade Kim Chong-il's leadership; and the invincible might and high prestige of our party are associated with the esteemed name of Comrade Kim Chong-il.

A great merit, which is performed by the respected and beloved Comrade Kim Chong-il in the cause of building the leader's party, consists in the fact that he turned our party into a crystal of loyalty and fidelity and made it reverentially hold the great leader Comrade Kim Il-song in esteem as its eternal leader and teacher for millennia to come.

An important hallmark of the leader's party is that the whole party moves and bands together with loyalty to the leader as its primary life.

Under the leadership of the respected and beloved Comrade Kim Chong-il, our party holds it as its lifeline to be one with the great leader Comrade Kim Il-song and is carrying out all its activities and work, with loyalty to the leader as a cardinal principle. The rank and file always firmly believe in and follow the great leader as their mental pillar and the sun shining over their lives, and gain strength and courage from the picture of his benevolent image and fight on staunchly—this noble ethos fills the whole society. The WPK is the only party that looks up to its leader with loyalty and resolutely guards his achievements, no matter how long time may pass and no matter how often times may change. Our party is inseparable from the esteemed name of the leader.

The immortal contribution made by the respected and beloved Comrade Kim Chong-il to the cause of building the leader's party consists in turning our party into Comrade Kim Il-song's party embodying his ideology, leadership features, and moral repute as they are.

By the leader's party is meant a party which has his natural disposition as its temperament, and which leads the revolution according to his wishes. The features of the leader are the features of the party, and his appearance is at once the dignified air of the party.

Under the leadership of the respected and beloved Comrade Kim Chong-il, our party is carrying out the revolution and construction by the great-leader-style method and embodying the ideology, desire, and moral repute of the leader as they are in its activities . The only ideology overflowing in our party is the revolutionary ideology of the great leader Comrade Kim Il-song; the spirit pulsating in our party is the Paektu revolutionary spirit founded by him; and the leadership method of our party is the great-leader-style work method. Our party is the crystallization of the ideology, leadership, and virtues of the great leader.

The respected and beloved leader who founded our party was a great man, a great leader, who had all the necessary features and qualities as a leader to the fullest extent, and was a sage of the revolution. Never before was there a leader who like our respected and beloved leader, strengthened and developed the party into an invincible party in the fire of the protracted struggle extending for a half century, and before he passed away in the line of duty, laid all the groundwork for the party to move forward victoriously forever. Embodied in the features of our party are the sacred features of the great leader, and mirrored in the flag of our party is his whole life. Our party's revolutionary character, which is a 100-percent replica of the features of the great leader, will remain unchanged for eons to come.

As days went by after we lost our fatherly leader, we came to realize all the more keenly how significant the respected and beloved Comrade Kim Chong-il's achievements in building our party into the leader's party are in the implementation of the chuche ideology.

With our party built into the leader's party by the respected and beloved Comrade Kim Chong-il, the immortality of the fatherly leader's life has been firmly secured above all.

The immortality of the leader means his immortality as the center and highest intelligence of the collective. The position of the leader as the man at the helm who bestows ideology, unity, and the guiding principles of action never changes simply because he passed away. The immortality of the leader is not something abstract or sentimental but real, a reality that takes shape in the context of the existence and activities of the collective.

The leader lives forever with the party. He is the founder and builder of the party. The foremost lifetime achievement of the leader was that he founded and built the party. All his efforts and energy dedicated to the revolution during his lifetime of activity are embodied in the party. The leader and the party are one and the same. When the working-class party exists, strengthening and developing forever as the leader's party, the leader becomes immortal. This is one of the basic principles of the doctrine of the immortality of the leader.

With our party built into the great Comrade Kim Il-song's party, the immortality of the leader has been firmly secured along with the life of the party. Today the leader is still the teacher of our party members and the protector of their political lives, with his position as the highest intelligence of the party remaining absolute and as firm as before.

The glorious history of struggle that our party is creating today is the continuation of the history of the revolutionary activities of the respected and beloved Comrade Kim Il-song. Our party still has the great leader, the sun of chuche, reverentially at the helm as it glorifies and advance his ideology and achievements through its unceasing activities and struggle.

Our party, which is pioneering a new history in accordance with the great leader's ideology and intentions, will continue forever with the fatherly leader.

Without a party, no leader can attain his immortality no matter how great he may be. This is a pivotal lesson history teaches. In the history of the international communist movements, numerous tragic instances abound in which the historical achievements of the leaders were wiped out and their images became obscure in the aftermath of the fall of the parties. In the whole world the WPK is the only party in which the leader's position is absolutely secured even after his death. The achievement of the respected and beloved Comrade Kim Chong-il, who has built this great party, is an immortal exploit which will shine forever in the annals of the revolutionary struggle and of the party building cause of the working-class party.

With our party built into the leader's party by the respected and beloved Comrade Kim Chong-il, the way has been paved for carrying on the cause pioneered by the great leader until it is fulfilled.

The working-class party is the weapon for making revolution. The historical mission of the working class party is to safeguard the cause of the leader and fulfill it to the end. It is for the purpose of discharging this mission that the party is built into the leader's party. By the leader's party is meant a party which has all the power, militancy, and leadership structure capable of implementing the leader's ideology and behest even after he passed away. Only such a party can lead the leader's cause brilliantly, without the slightest deviation and turn, whatever ordeal or storm may come.

With the leader's party built by the respected and beloved Comrade Kim Chong-il, our party has begun to show its dignity by its great leadership ability to safeguard and fulfill the chuche revolutionary cause pioneered in the Paektu forests to the end. Our party completely embodies the great leader Comrade Kim Il-song's infinite fidelity to the independent cause of the masses, the socialist cause, his unswerving revolutionary conviction, and his iron-clad will and matchless ingenious leadership art. Our party's resoluteness to hold fast to revolutionary principles under whatever circumstance is exactly the same as the strong will of the leader who kept holding the red flag high during his lifetime; the resourcefulness of our party which carries out all its work in a positive way, suitable to the existing condition, is exactly the same as the fatherly leader's resourcefulness in acting as occasion demands; the organizational capability and leadership art of our partt which pushes forward revolutionary struggles by banding millions of people together, is exactly the same as the leader's seasoned leadership character. It is thanks to this great party that all tasks in the revolution and construction are progressing in the same way the respected and beloved leader intended, and his behest is being implemented brilliantly. Today the socialism, built by the leader with his lifelong efforts, holds its ground firmly in the middle of the vicious machinations of the imperialists and the betrayers of the revolution, and this fact is unthinkable apart from the might of our party as the leader's party.

It is because we have the great Comrade Kim Il-song's party that our nation shines as the Kim Il-song nation glowing with his esteemed name, and our country shines as the Kim Il-song Korea.

The question of inheriting the leader's cause and carrying it through to completion is an epochal question no revolution elsewhere ever resolved before. It was precisely because of this that there occurred tragedies, such as the bitter failures and vicissitudes experienced by the revolutions in some countries when they were walking one road of victory for a long period of time, ending up in the collapse of socialism.

The respected and beloved Comrade Kim Chong-il has paved the way for keeping the revolution alive and secure by building our party as the leader's party—and this is the immortal achievement he made for our age and the revolution.

II

That our party has been built into the great leader Comrade Kim Il- song's party represents a precious fruit of the energetic leadership and hard work of the respected and beloved Comrade Kim Chong-il.

The great leader Comrade Kim Il-song taught as follows: "In leading the revolution and construction, Comrade Kim Chong-il holds fast to it as the key principle to strengthen the party and enhance its leadership role."

A great party is strengthened and developed through the correct leadership and hard work of the great leader.

In leading the party building cause, the respected and beloved Comrade Kim Chong-il has done everything possible as a revolutionary and as the leader, giving his all in this process. Day in and day out, in the course of leading the party and the revolution, Comrade Kim Chong-il took charge of numerous tasks. He took charge of all tasks ranging from the handling of basic problems in building the party to the taking care of the party life of individual party members, and gave detailed guidance. He would stay awake many a night to devise ways to radically change party work. The WPK glows in the halo of the respected and beloved Comrade Kim Chong-il's matchless revolutionary strategic capability and illimitable ardor.

History finds no one who gave his all to the struggle to strengthen and develop the party as did the respected and beloved Comrade Kim Chong-il.

Fully synthesized in the immortal classic "The Workers Party of Korea Is the Great Leader Comrade Kim Il-song's Party" are the thought and theories of the respected and beloved Comrade Kim Chong-il on strengthening and developing our party into the Kim Il-song party, as well as his immortal leadership achievements.

The WPK has been built into the great Comrade Kim Il-song's party with a view to the future by the respected and beloved Comrade Kim Chong-il with his outstanding foresightedness.

The working-class party is the engine of the revolution. In order for the party to lead the revolution in the vanguard, the party needs to build itself in a farsighted manner.

The respected and beloved Comrade Kim Chong-il has led the party building cause in a foresighted manner, looking far ahead into the distant future of our revolution with an outstanding farseeing wisdom.

The foresightedness of the respected and beloved Comrade Kim Chong-il manifested itself in formulating the most correct party building line on the basis of a scientific analysis of the historical lessons learned from experience in building working-class parties and the actual condition of the international communist movement. As early as the 1960's when the doctrine on building revisionist parties emerged in the international communist movement, the respected and beloved Comrade Kim Chong-il laid down the guiding principle for building our party into the leader's party by calling for the task of establishing a monolithic leadership system of the party. In the 1970's he clearly showed the path to fulfilling the cause of building the leader's party under the slogan calling for modeling the whole party after the chuche idea. It was none other than Comrade Kim Chong-il who showed the way of rebuilding the party in the middle of the confusing situation in the 1990's when the socialist parties in power in many countries went bankrupt. Comrade Kim Chong-il has seen to it that when the party engaged in ideological construction, it did the work in such a way that the revolutionary ideology of the leader might radiate brilliance in the future of communism; that when the party engaged in organizational construction, it built the party into one with a strong organizational power capable of correctly leading the revolution and construction with a firm grip on them in all aspects; that when the party built its leadership art, it did its work in such a way that the great-leader-style work method dominated the party continuing from one generation to the next. This is where the wisdom of Comrade Kim Chong-il's leadership lies. The clairvoyant, ideological and theoretical wisdom of the respected and beloved Comrade Kim Chong-il became the pilot light always pointing to the road ahead for our party, and his party building ideology and line became the ever-victorious banner of our party. It was due to Comrade Kim Chong-il's farsightedness that our party has been able to explore most successfully an untrodden road of implementing the cause of building the leader's party and stand its ground against the influence of modern revisionism and social democracy.

The foresightedness of the leader [yongdoja] determines the future of the party. As we observed the tragedies of socialism collapsing and the parties in power going into bankruptcy in many countries, we were once again struck by the respected and beloved Comrade Kim Chong-il's foresightedness in building our party very early in a farsighted manner. As long as Comrade Kim Chong-il is at the helm, the future of our party is bright. Our party will, as in the past, strengthen and develop forever as the leader's party moving in accordance with the great leader Comrade Kim Il-song's thought and intentions.

The WPK is a revolutionary party which has maintained its dignity always as the great leader Comrade Kim Il-song's party by the iron will of the respected and beloved Comrade Kim Chong-il.

The working-class party grows and develops in the thick of struggle. The conviction and determination with which the leader breaks though ordeals and obstacles head-on keep the party alive and strengthens its militancy in every possible way.

Our party—which was founded and has been strengthened and developed by the great leader—should have raised high the banner of building the leader's party earlier, from the beginning. However, the party's ordeals-ridden history barred the issue of building the leader's party from being raised outright. Out of his firm conviction that our party must be a chuche-oriented party identified by none but the esteemed name of the leader no matter what, the respected and beloved Comrade Kim Chong-il brought the issue of building the leader's party to the fore for the first time in the history of the building of working-class parties. Since then he has taken the lead in the undertaking to build the leader's party.

The cause of building our party into the leader's party was accompanied by an arduous struggle. Waged on the road were the fierce struggle against the imperialists and the reactionaries and the courageous struggle against the sectarian and antiparty revisionist elements who raised their heads meantime within the party. The respected and beloved Comrade Kim Chong-il carried on his shoulders the heavy burden of all these struggles bearing on the fate of the party.

The iron will of the respected and beloved Comrade Kim Chong-il has manifested itself in: the consistency with which he had a tight grip on the chuche-oriented party building line under whatever circumstances; the principled position on which he never acquiesced in even the slightest ideological elements contrary to the leader's ideology and fought against them uncompromisingly; and the resoluteness with which he carried out all difficult tasks to the finish without the slightest hesitation or wavering. It is because the respected and beloved Comrade Kim Chong-il has led the party and the revolution with his iron-clad will that our party has been able to successfully implement its party building cause even in the middle of the vortex of history, creating the ever-victorious history of our revolution.

The WPK is the motherly party which enjoys the absolute trust of the people thanks to the respected and beloved Comrade Kim Chong-il's infinite love for them and to his noble character.

By the great leader Comrade Kim Il-song's party is meant the motherly party which fully embodies his benevolence and which practices his politics of benevolence. Our party's party building experience shows that in order for the party to become the motherly party, it must have a great leader who can win the full support of the people and who can lead the revolution with the trust of the people.

The respected and beloved Comrade Kim Chong-il is the father of our people who embodies the great leader's idea of "treat people like heaven" at its highest level. Building the party in accordance with the idea of "treat people like heaven" and practicing the politics of benevolence as the political mode of the party is Comrade Kim Chong-il's unique political methodology. The people-minded character of the leader coincides with that of his heir, and this concordance, embodied in party building, is the basic characteristic of the WPK.

The respected and beloved Comrade Kim Chong-il's idea of "treat people like heaven" is the idea of worshiping people absolutely, regarding them as heaven. It is the quintessence of human love and the spirit of sacrificial service, the spirit of devoting one's all to the happiness of the people. The respected and beloved Comrade Kim Chong-il's idea of "treat people like heaven" is embodied in all lines of our party reflecting the desires and demands of the masses of people, as well as in the party slogan "Serve the people!" It is also pulsating in the people-oriented work method advocated by our party.

Our party is made whole with the people because the ideology and virtues of our workers are noble. The party trusts and loves the people, and the people have an absolute faith in the party and support it with loyalty—this is a proud feature of our motherly party, the great leader Comrade Kim Il-song's party. It is because the respected and beloved Comrade Kim Chong-il leads that our party will pride itself in being the great leader Comrade Kim Il-song's party, which holds the idea of "treat people like heaven" as the basic starting point and the highest principle.

Our party's glorious historical course of building itself into the great leader Comrade Kim Il-song's party is the shining annals adorned with the sagacious leadership and the tireless hard work of the respected and beloved Comrade Kim Chong-il. On this protracted journey our party has built it most admirably in keeping with the aspirations and demands of the time and people, and the strength of the party has been augmented a thousandfold. The history of the golden age of the WPK in party building is a permanent treasure of our party and a common asset of all revolutionary parties in our era. The resplendent future of the great Comrade Kim Il-song's party lies on the course of ceaselessly valuing and glorifying this history.

III

The historical party building experience of the WPK—which has brilliantly implemented the cause of building the leader's party under the sagacious leadership of the respected and beloved Comrade Kim Chong-il—teaches the truths pricelessly valuable to the fulfillment of the revolutionary cause and party building in our era.

The great leader Comrade Kim Il-song taught as follows: "The party building experience of our party is a precious asset in further strengthening and developing our party in the future."

The cause of building the leader's party was the path never before walked by anyone, and is a historic cause accompanied by fierce struggles. In the course of implementing this arduous and complex epochal undertaking in the most perfect manner, our party gained an unusual and valuable experience and came to confirm the profound truths about the revolution. The experience gained and achievements made in party building in complete harmony between the leader, the heir, and the party serve as a precious guiding principle enabling our party and our revolution to march triumphantly forever, and as the textbook in revolution in our time.

The historical party building experience of our party tells, above all, that when a party has the seasoned and tested leader with a long history, it can strengthen and develop forever as his party.

The person [yongdoja] who leads the party building cause at the helm must have history. Only when he has history can he have high authority over the whole party and all the people and carry out the party building task and implement the revolutionary cause. The seasoned skills and sagacity he demonstrates in leading the cause of building the great leader's party also exudes from his historical background, and the trust with which the people look up to him is formed through a long history. It is a law of nature that a great party has the leader [yongdoja] with a long history.

The respected and beloved Comrade Kim Chong-il is the seasoned and tested leader who has gained a rich experience and made immortal achievements in party building in his long history of revolutionary activity.

The respected and beloved Comrade Kim Chong-il's party building history extends over 30 years. A span of 30 years, not 10 or 20 years, as the leader [yongdoja] is a very long history.

The respected and beloved Comrade Kim Chong-il's 30 years or more of party building history represents the shining annals of the period in which he comprehensively elucidated all theoretical and practical problems arising in the fulfillment of the cause of building the leader's party with his matchless acumen—a glorious history of his accomplishments in creating a model for building the leader's party under his tested leadership. It was the great succession course of 30 years which only the heir with infinite loyalty to the leader was able to walk. Through the efforts that continued day in and day out, in this course, the precious guiding principle on building the socialist party in power was formulated and the sound foundations were laid for making the WPK continue to shine as the leader's party in the communist society that will come in the future.

It was because the respected and beloved Comrade Kim Chong-il has created resplendently 30 years or more of history that he came to win the absolute support and trust of the whole party and all the people as a great master party builder of our time and the highest leader [yongdoja] of our party. Today Comrade Kim Chong-il, with over 30 years of long history behind him, combined with his rich experience and outstanding ability, is leading the party and the revolution at the helm with the absolute authority which no force on earth can tear down. Comrade Kim Chong-il is truly the symbol of our party's greatness and the permanent banner of victory. It is because we have Comrade Kim Chong-il that our party has nothing to fear, come whatever turbulence or storm, and is capable of accomplishing any Herculean tasks and going forward with fulfilling the socialist cause.

The historical party building experience of our party tells that the leader's party in its true sense will soon take after his heir.

The leader [yongdoja] loyal to the fatherly leader takes after him as he was. The heir who has the same ideology, leadership style, and character as the leader had is his true heir. From this it follows that the party which takes after the leader means the party which takes after his heir.

When the party has the leader [yongdoja] who exactly resembles the fatherly leader, it can strengthen and develop as the great leader's party capable of preserving his accomplishments and the tradition he founded, and advance the revolution according to his wishes and ideas, upholding his ideology as its guiding principle with constancy, no matter how far time advances.

The respected and beloved Comrade Kim Chong-il is the living counterpart of Comrade Kim Il-song, both sharing exactly the same ideology, leadership style, and high moral repute. Reflected in the features of our party, which shines with the leader's esteemed name, are the features of the respected and beloved Comrade Kim Chong-il. Today our party brims over with only the respected and beloved Comrade Kim Chong-il's ideology and desires, and all party work and activities proceed according to his will. The mettle of our party moving forward under the red flag of revolution is the indomitable mettle of the respected and beloved Comrade Kim Chong-il; and the determination and conviction with which our party breaks through all obstacles and ordeals head-on are the matchless prowess and iron-clad will of the respected and beloved Comrade Kim Chong-il; and the refined leadership art of our party in leading the revolution and construction masterfully and with matchless resourcefulness is an exact replica of Comrade Kim Chong-il's revolutionary leadership art. The WPK of today is the party whose features look exactly like those of the respected and beloved Comrade Kim Chong-il.

The course in which our party has strengthened and developed as the great Comrade Kim Il-song's party was the course during which our party has strengthened and developed into a party moving in accordance with the respected and beloved Comrade Kim Chong-il. When the features of the leader are embodied in the features of his heir, and the features of the heir are embodied in every activity of the party, the cause of building the leader's party can be fulfilled most brilliantly. This is the priceless truth corroborated by the party building process of our party.

The historical party building experience of our party proved that the eternal life of the leader, the founder of the party, is fully secured by his faithful heir.

The leader lives forever becoming one with the people who look up to him. The dignity of his eternity corresponds to that of the loyalty and fidelity of the generations that follow. When the people fight on regarding the leader as their mental pillar, follow his ideology and behest, and glorify his accomplishments, he lives an eternal life maintaining the position he held before his death.

The eternal union of the leader and the people is solidified by the leader [yongdoja] after him who is the highest representative of the masses of people reverentially supporting the leader from generation to generation. The loyalty and fidelity of the younger leader [yongdoja] to the fatherly leader is the model of loyalty which makes the people revere the leader in the highest esteem, the water of life which raises them as a fine people having noble moral loyalty. Without a loyal heir there can be no loyal people, nor can the eternal life of the leader be assured. After all the leader lives an eternal life in his heir's world of noble moral loyalty.

The respected and beloved Comrade Kim Chong-il is leading party work, party activities, and all tasks of the revolution and construction, with noble moral loyalty to the leader, determined to continue to hold him in high esteem for millennia to come. The respected and beloved Comrade Kim Chong-il erected the Kumsusan Memorial Palace as the mecca of chuche to preserve the living image of the great leader just as he looked when he was alive. He also published classic masterpieces, including "It Is a Noble Moral Duty of Revolutionaries To Treat Revolutionary Elders With Respect," to lead our people to the world of lofty ethics and morals. All this illustrates the depth of his loyalty. The sagacious leadership and noble moral features of the respected and beloved Comrade Kim Chong-il are making our people into a fine people who know none but the leader and who know how to hold him in high esteem, and forging our society into an organism which fights on rallied closely around him. Our party members and people are the leader's warriors, the leader's disciples, who follow him regarding him as their eternal teacher and father. The fatherly leader lives today and will continue to live forever in the ceaseless struggle and activities of the people in support of him.

In the thick of the long and arduous struggle to build our party into the leader's party, our people came to learn by experience really precious revolutionary truths. The one that was etched in their innermost hearts is the philosophy that the fatherly leader lives forever because we have the respected and beloved Comrade Kim Chong-il.

The leader's thought becomes immortal in the thinking process of the younger leader [yongdoja], and his life shines in the midst of the ceaseless struggle and activity of his successor. It is an unwavering conviction that the leader lives an eternal life closed in the features of his successor who resembles him, and his cause will be fulfilled as the cause of his successor. Cherishing this conviction, our people will look up to the respected and beloved Comrade Kim Chong-il forever, reverentially having him at the highest position of the party, with the same warm loyalty with which they used to look up to the fatherly leader.

The party building cause of our party which began with the Down-With- Imperialism Union [DIU] has entered a new, higher stage today.

It is the respected and beloved Comrade Kim Chong-il's firm, unalterable determination to build, strengthen, and develop only on the road pioneered by the DIU. The WPK is invincible and the chuche revolutionary cause is assured of ultimate victory because we have at the helm the respected and beloved Comrade Kim Chong-il, who consistently holds the DIU banner, the red flag of the revolution high.

The WPK will shine forever as a glorious chuche-oriented revolutionary party, Comrade Kim Il-song' party, which will faithfully carry on and continually develop the ideology and cause of the great leader Comrade Kim Il-song.

DPRK: Forging Factory at Chollima Steel Complex Described

SK0805092996 Pyongyang KCNA in English 0900 GMT 8 May 96

[FBIS Transcribed Text] Pyongyang, May 8 (KCNA) — Anyone who visits the Chollima Steel Complex, called the native home of Chollima in Korea, is attracted by a large building of light blue.

The building is the May 18 Large Forging Factory, which started operation in October 1989.

Its plottage covers an area of more than 150,000 sq metres and the floorage an area of 30,000 sq metres.

Well-arranged surroundings, green belts, flower gardens and the clean-looking factory building built in peculiar architectural style — all these make it impossible for the visitors to think that inside it there is a "mammoth" forging a steel ingot of hundreds of tons.

But, the building houses a 10,000-ton press, which forges huge pieces of steel. At this people hardly repress the admiration at Korea's strong national power as well as the policies putting working conditions ahead of production.

The press was manufactured by the workers of the Yongsong Associated Machine Bureau in a little more than one year on the occasion of the 40th founding anniversary of the Workers' Party of Korea (October 10, 1985).

The press can forge even a steel ingot as thick as nearly 3 metres and as heavy as 250 tons.

For the normal operation of the press there are many cranes, carts, furnaces, annealing furnaces and heat treatment furnaces.

The factory can produce a large-sized roller, axles of hydro- generator and axles of hydro-power and thermo-power generators, a screw axle of vessels and others.

Over the past period, the factory successfully provided large forgings necessary in various sectors of the national economy, including pressure tubes, rollers and axles of large generators and turbines.

In particular, the roller, one of principal products of the factory, is used 1.4 times longer than the foreign-made ones.

DPRK: More Study Centers, Libraries Reportedly Built

SK0705091996 Pyongyang KCNA in English 0830 GMT 7 May 96

[FBIS Transcribed Text] Pyongyang, May 7 (KCNA) — More study centres have been built in provinces, cities and counties of Korea.

Among them are the Hyoryong City People's Library and the Huichon City Scientific Library, which were built in recent years.

The libraries with collections of many books are fully equipped with computers, videos, cameras and other things necessary for study.

The state, which has set the intellectualization of the whole society as the general goal of the cultural revolution, has directed great efforts to social education through libraries as well as the development of higher education.

Libraries total more than 15,000 throughout the country.

Those built in provinces, cities, county seats, industrial establishments, scientific institutes, schools of all levels and rural villages serve as a disseminator of new science and technology and an organizer of public study.

They offer various forms of services to different sorts of readers.

At the study centres and libraries prominent professors, doctors, technicians, experts and other highly educated librarians give lessons in a regular way to readers on problems urgent for the chuche-orientation, modernization and scientization of the national economy and scientific and technical matters showing the trend of the universal development. They also go to different sectors of the national economy and serve scientists and technicians on the spot with books and materials helpful towards their researches.

The state has also established a regular book-disseminating system.

The costs of books account for 80 percent of the annual budget of libraries.

DPRK: Television Reports on Youth Volunteering To Join KPA

SK0605030096

[FBIS Report] The following is a compilation of reports on meetings of youth volunteering to enlist in the North Korean Army. All the reports were carried by Pyongyang Korean Central Television Network in Korean between 20 and 22 April.

At 1100 GMT on 20 April, Pyongyang Central Television in Korean carries a 4-minute report on the meeting of young students in Pyongyang held on 19 April at the outdoor theater in Moranbong Youth Park in the city to send off those high school students who have volunteered to enlist in the Korean People's Army [KPA]. The announcer states: "The meeting was attended by responsible functionaries from party, government, and administrative and economic organs in Pyongyang; anti-Japanese revolutionary fighters; war veterans; functionaries from the Kim Il-song Socialist Working Youth League [KISSWYL]; schoolmasters and teachers; students; and parents." The announcer then cites the gist of speeches made by participants at the meeting, followed by brief recorded remarks by some of the KPA volunteers, who vow to fight for the country and Kim Chong-il.

At 1100 GMT on 21 April, Pyongyang Central Television carries a 2-minute report on a meeting of graduates of Changgwang Senior Middle School in Pyongyang to volunteer to enlist in the KPA. The announcer cites the gist of speeches made by teachers at the meeting.

At 1100 GMT on 22 April, Pyongyang Central Television carries a 2-minute report on the meetings of KISSWYL members of Huichon Machine Tool Plant and the State Academy of Sciences to volunteer to enlist in the KPA. The announcer cites the gist of speeches made by the volunteers.

South Korea

ROK: U.S. Response to DPRK Request on 4-Way Talks

SK0805023796 Seoul YONHAP in English 0228 GMT 8 May 96

[FBIS Transcribed Text] Washington, May 7 (YONHAP) — The United States said Tuesday that it would honor North Korea's request for additional information or details about the proposed four-way talks for peace on the Korean peninsula.

"If they need more information, we'll give them more information," U.S. State Department Spokesman Nicholas Burns said at a press briefing here, adding, "It's a very serious proposal."

"But we do need a willing partner, and we're looking for a willing partner to come forward."

Washington has explained to Pyongyang about the proposed talks through a recent series of contacts, he said.

"We think it's high time, four decades after the end of the Korean war, to go much further in solidifying, in essence, a state of peace between the North and South, which we'd like to put into firmer footing."

The United States is even willing to hold further talks to discuss the four-way meeting if North Korea wishes to, the spokesman said.

On whether the North's request might be a ploy for more time, Burns said that Pyongyang would be given as much time as it needs to consider the four-way talks, adding that the North's basic position on the talks has been that "they want to consider this."

"But the ball's in their court, and if they need a little assistance in returning it, you know, we're glad to do it," he added.

On China's cooperation for the talks, he indicated that the Chinese are "very well aware" of the U.S. position and are being "helpful," noting that Washington and Beijing have discussed the issue through several recent contacts, including the April 19 meeting between U.S. Secretary of State Warren Christopher and Chinese Foreign Minister Qian Qichen.

Burns also pointed out that Winston Lord, assistant secretary of state for East Asia and Pacific affairs, now visiting South Korea, has no plans to either visit Pyongyang or to meet with any North Korean officials during his Asian trip.

On why the ongoing talks to repatriate the remains of American soldiers killed in the Korean war have dragged on, Burns cited the difficulty of the issue and the fact that Washington is "working through many permutations of the issue with the North Koreans."

He dismissed the notion of any dramatic progess or a "major positive breakthrough" in the talks, adding that he would give a full briefing of their results upon their conclusion.

ROK: DPRK Counterproposal for 2-Plus-1 Talks Predicted

SK0805075196 Seoul SISA JOURNAL in Korean 9 May 96 pp 22-23

[Article by reporter Nam Mun-hui: "Great Possibility That North Korea Will Come Out With a Proposal for Two Plus One Talks: North Korea May Suggest Direct North-South Dialogue With U.S. Participation, Has No Desire To Share Diplomatic Reward With China"]

[FBIS Translated Text] It has been learned that North Korea was informed by a high-level U.S. channel about the four-way talks long before the proposal was officially put forth, and had been studying the issue since then. The high-level channel pointed out by those South

Korean sources well versed in U.S.-North Korean affairs is the channel between Thomas Hubbard, U.S. deputy assistant secretary of state; and Kim Kye-kwan, North Korean vice minister of foreign affairs. According to these sources, it was late March this year when North Korean Vice Foreign Minister Kim Kye-kwan was told by Deputy Assistant Secretary Thomas Hubbard that the four-way talks would be officially proposed at the South Korea-U.S. summit to be held on 16 April. In the course of the visit to Seoul last February by Anthony Lake, White House security assistant; and of the South Korean Foreign Minister Kong No-myong's March 24-29 U.S. visit, the United States reportedly confirmed the South Korean Government's firm desire for four-way talks and it immediately told the North Korean side about the talks. So, it was at least about 15 days before the four-way talks were officially proposed at the South Korea-U.S. summit that North Korea already started to examine the proposal.

There is clear evidence that North Korea had already been deeply examining the four-way talks before the proposal was officially put forth. Yi Sam-no, North Korean ambassador to Thailand, precisely a day before the South Korea-U.S. summit was held, attracted attention by talking about such a specific option as "direct North Korea-U.S. negotiations and South Korea's participation as an observer." South Korean specialists on North Korea construe Yi Sam-no's remarks as what specifically discloses the intent of the core of the North Korean power circles. They note that Yi Sam-no was in the same class with Kim Chong-il at the Kim Il-song University. They also note that he is very influential in the North Korean Foreign Ministry and is well versed in U.S. affairs, and whatever he has said on sensitive pending diplomatic issues has always turned out to be pretty accurate.

The specific reason why South Korean specialists on North Korea consider Yi Sam-no's remarks particularly noteworthy is because of what Yi Sam-nom did in late March to early April. It has been recently confirmed that Yi Sam-no secretly met high-ranking North Korean officials in a third country late March. It is extremely unusual for a high-ranking North Korean diplomat serving as an ambassador to a foreign country to visit a third country without any specific official reason. Accordingly, it is highly likely that Yi Sam-no's visit to a third country was to hear what he had to say and to tell him about the intention of the core of North Korean power circles after U.S. Deputy Assistant Secretary Thomas Hubbard offered to North Korea the information on the four-way talks.

However, as for what has been suggested by Yi Sam-no, it can be said that a problem still exists, because South Korea, which insists on direct North-South dialogue, would not agree to "participating in direct North Korea-U.S. negotiations as an observer," even if the suggestion was made as an option by the core of the North Korean power circles as a result of being persuaded by the United States after the information on four-way talks was offered to North Korea. Accordingly, following the option was put forth by Yi Sam-no, the United States, through the behind-the-scenes channel, has reportedly been urging North Korea to come out with a more realistic option which can be accepted by South Korea. The channel which the United States has used for this purpose was Bob Carlin, deputy chief [as published] of the Bureau of Intelligence and Research in the Department of State. Bob Carlin visited Pyongyang to discuss the timetable for handling the pending issues between the United States and North Korea, not to discuss the matter of the four-way talks. However, it is certain that the four-way talks matter was also discussed during his visit. During this course, the United States reportedly pointed out that it would be absolutely not feasible to implement the option over the four-way talks mentioned by Yi Sam-no, because of South Korea's opposition. The United States reportedly urged North Korea to agree on a third idea which would make it possible to hold direct North-South dialogue with U.S. participation. It has been learned that the United States told North Korea that the South Korean Government would be urged to provide the North with various gifts, if North Korea would agree to holding North-South dialogue first.

Thus, North Korea has been told about the U.S. intention during Bob Carlin's visit. However, this was not good enough for North Korea to understand the clear U.S. position. This was why North Korea on 18 April tentatively released its Foreign Ministry spokesman's deferring statement and immediately sought to find the real U.S. intention through Han Song-yol, minister counselor to the North Korean Mission in the United Nations. Han Song-yol's 19 April meeting with Christenson, deputy chief of the U.S. State Department Korean Section, was held precisely with this as a background. North Korea has continued to grasp the true intentions of the United States during the U.S. visits by Kim Chong-u, chairman of the Committee for the Promotion of External Economic Cooperation; and by Yi Chong-hyok, vice chairman of the Asia-Pacific Peace Committee.

While pressing North Korea for its North-South dialogue-first policy, the United States has also reportedly continued to negotiate with the South Korean Government on various rewards to be offered to North Korea. An example is the meeting held some time ago between Yu Chong-ha, South Korean senior presidential secretary for foreign affairs and national security, and U.S. Ambassador Laney. At this meeting, the U.S. side reportedly told the South Korean side that South Korea needs to offer rewards to North Korea to realize North- South dialogue.

As a result of these behind-the-scenes negotiations held so far with the United States in the center, North Korea will reportedly disclose its final position over the four-way talks sometime late April to early May. The two most likely suggestions being presently studied by the North Korean side are to hold direct dialogue between North Korea and the United States with South Korea as an observer, as was suggested by Yi Sam-no, or to hold direct-North-South dialogue with U.S. participation. With respect to this, a South Korean source versed in North Korean affairs said that, to his knowledge, North Korea is currently seriously contemplating whether it should first propose to hold a direct North Korea-U.S. dialogue with South Korea as an observer, and, then, if this is rejected by South Korea, should consequently propose to hold direct North-South dialogue with simultaneous U.S. participation, or whether it should just suggest to hold direct North-South dialogue with simultaneous U.S. participation. This source said that the North Korean position is currently considerably slanted toward holding direct North-South dialogue with simultaneous U.S. participation. This source said, however, that it is impossible to completely rule out the possibility that North Korea may attempt to turn the tables and, thus, may come out with a counterproposal for holding direct dialogue between the United States and North Korea and for seeking a South Korean and Chinese endorsement afterward.

A clue that North Korea is studying the possibility of holding North-South dialogue with simultaneous U.S. participation can still be found in that Yi Chong-hyok, vice chairman of the Asia-Pacific Peace Committee, was optimistic about North-South dialogue and officially confirmed North Korea's proposal to our government for the resumption of Beijing rice talks during his recent visit to the United States. It is very likely that what Yi Chong-hyok mentioned is aimed at finding an excuse to present a counterproposal to the four-way talks.

No matter what may be proposed as a result of the behind-the- scenes contacts held so far between North Korea and the United States, it is almost certain that a counterproposal will be made involving three-way talks between North Korea, South Korea, and the United States, excluding China. This is because the United States and North Korea agree that there is no reason to share the two countries' diplomatic rewards with China. If this proves true, it is very likely that South Korea's diplomatic efforts made to have China bring North Korea to the four-way talks table will end in failure. The South Korean Government appeared to be relying not on the United States but on China in its effort to persuade North Korea or appeared to be trying to persuade North Korea by its own effort even in the course of seeking the four-way talks. Now, precisely this deviation in South Korea-U.S. cooperation serves as the cause of a negative view that it would be still difficult to settle the issue of peace on the Korean peninsula, even if three-way talks are held under the U.S. leadership.

ROK: Neutral Nations Commission Welcomes 4-Way Talks Proposal

SK0805064296 Seoul YONHAP in English 0634 GMT 8 May 96

[FBIS Transcribed Text] Seoul, May 8 (YONHAP) — The Neutral Nations Supervisory Commission (NNSC) that oversees the 1953 Korean Armistice Agreement Wednesday welcomed the four-party peace talks proposal made by Seoul and Washington last month, and expressed hope that "such a peace process could open opportunities also for contributions from the NNSC."

"Taking note of the ongoing discussions about different ways to initiate a peace process leading to a permanent peace on the Korean peninsula," the statement also said that "the three members see a need for initiatives, in the meantime, to decrease the military confrontation."

"In this connection, they once again emphasized the readiness of their delegations to play any additional role that the parties might be giving them," the statement said.

It also denounced North Korea for violating the agreement by recently announcing its decision to no longer abide by the rules of the armistice and carrying out a series of military demonstrations in the Joint Security Area (JSA).

In the statement issued right after three plenary session meetings of the three-member NNSC comprising the Swedish, Swiss and Polish delegations, the NNSC said "In view of the Polish, Swedish and Swiss members, these unilateral steps constitute serious violations of existing agreements and are contrary to the interests of all parties, for a development towards peace."

"The NNSC continues to form an integral part of the armistice arrangement in Korea and it is the firm view of the members of the commission that the armistice agreement, as well as relevant subsequent agreements, decided upon by the parties to the armistice agreement, remains valid until the signatories, by mutual consent, decide otherwise," said the statement.

ROK Foreign Minister Asks Russia To Join Multilateral Dialogue

SK0805025596 Seoul YONHAP in English 0206 GMT 8 May 96

[FBIS Transcribed Text] Moscow May 8 (YONHAP) — South Korea has asked Russia to join the proposed multilateral East Asian security dialogue in an apparent bid to secure Moscow's support for the four- nation Korean issues talks proposed by Seoul and Washington last month.

In his meeting with Russian Foreign Minister Yevgeny Primakov here Tuesday, South Korean Foreign Minister Kong No-myong said Moscow's interest in the Korean peninsula could be discussed at the Northeast Asia Security Dialogue (NEASED).

The four-way talks proposal includes North and South Korea as direct parties to a Korean peace treaty and the United States and China as signatories to the 1953 armistice which ended the Korean war, Kong explained.

The NEASED was first proposed by then South Korean Foreign Minister Han Sung-chu at the ASEAN (Association of Southeast Asian Nations) Regional Forum (ARF) held in Bangkok in July 1994.

The multilateral security meeting is designed primarily for discussing Northeast Asian security issues among six nations — North and South Korea, Japan, China, Russia and the United States.

Tokyo and Washington are positive about the proposal, while Beijing, which agrees in principle, has not taken a formal stance because of Pyongyang's negative response. Moscow has been proposing a multilateral security dialogue for Northeast Asian security for years and so shouldn't be against it, informed sources said.

While the proposed NEASED is a government-level meeting, the non- government Northeast Asia Cooperation Dialogue (NEACD) forum was first organized in 1993 by scholars and government officials from five countries — South Korea, Japan, China, Russia and the United States — acting as private citizens, and has since convened once a year. The fourth meeting was held in Beijing last January and the fifth is scheduled to meet in Seoul in September.

Seoul officials believe that as NEACD meetings continue, the mutual trust that develops among the participants will be helpful in getting the proposed NEASED started.

On the relationship between the NEASED and the proposed four-way talks on Korean issues, Kong said in a speech delivered at a university here Wednesday that after the four-nation meeting has worked out a framework for peace on the Korean peninsula, the six nations — North and South Korea, China, Japan, Russia and the United States — can sit down together for a multilateral Korean issues dialogue.

ROK: Foreign Affairs Expert Assesses 4-Way Talks Proposal

SK0805065696 Seoul YONHAP in English 0620 GMT 8 May 96

[FBIS Transcribed Text] Seoul, May 8 (YONHAP) — North Korea is likely to try to change the four-way peace talk proposal into two separate meetings between the South and North and the North and the United States in an attempt to make direct contact with the U.S. without South Korean participation, a North Korea expert said Wednesday.

"Close cooperation between South Korea and the United States is all the more important in pursuing the quadrilateral talks between South and North Korea, the United States and China in that the North may adopt a strategy that seeks to marginalize the inter-Korean portion of the four-party framework," according to Research Commissioner Paek Chin-hyon of the Institute of Foreign Affairs and National Security (IFANS).

The four-party peace talks, proposed by President Kim Yong-sam and U.S. President Bill Clinton last month, will eventually help promote change in the North, although it may not have an immediate impact on North Korean society, according to Paek.

Paek was speaking at an IFANS seminar focused on the four-party meeting and establishing a permanent peace agreement on the Korean peninsula.

In that sense, Seoul and Washington need to approach the issue of the four-way peace talks from a long-term perspective, Paek noted.

The research commissioner also pointed out that the North's basic policy has been to contact Washington without Seoul's participation, adding that the Pyongyang regime is currently extremely cautious about contacting the Seoul government mainly because of its economic and political problems.

"In contrast, the North has shown excessive hope for an improvement in relations with the United States," he said, adding that Seoul and Washington should not expect Pyongyang to change its foreign policy until it overcomes its current economic and political difficulties.

Paek dismissed claims that the four-party talks means that Seoul has abandoned its long-standing principle of settling Korean issues through direct dialogue between Seoul and Pyongyang, claiming that the principle should not be so exclusive as to insist that only South and North Korea can discuss Korean peninsula issues.

"We need to be practical about how we can take the most active role in settling the Korean issue with neighboring countries," Paek explained.

ROK: U.S. Denounced for Pursuing U.S.-Japan-ROK Military Alliance

SK0805043696 (Clandestine) Voice of National Salvation in Korean to South Korea 0300 GMT 7 May 96

[Dialogue between unidentified station reporter and commentator O Hae-il; from the "Focus on Topics" program]

[FBIS Summary] [Reporter] The United States is engaged in "full- fledged maneuvers to drag Japanese militarists into the Korean peninsula" in the event that a war takes place on it.

[O] The U.S. Defense Department is spreading the "groundless rumors" that North Korea will attack Japan with missiles in the event that a war breaks out on the Korean peninsula, mentioning the need to prepare countermeasures. This is an "intolerable disgrace" to North Korea which "has invariably been making efforts for peace and peaceful reunification of the Korean peninsula." The U.S. maneuver is aimed at "preparing a pretext for the permanent stationing of U.S. troops in Japan" and at implementing its "aggressive tactics" by mobilizing Japanese troops to the peninsula in case of war.

Describing North Korea's arms buildup and the possibility of its southward invasion as "realistic and serious," the United States said that the Japan-U.S. security agreement and U.S. troops in Japan are "very important in deterring the North's threat." It also made the "absurd remarks" that the United States and Japan should prepare joint countermeasures to cope with a possible southward invasion by the North. The United States is fabricating these fictitious things to realize its "criminal ambition."

The United States is pursuing the "U.S.-Japan-ROK tripartite military alliance" in its "aggressive" policy on Asia. The United States is trying to strengthen Japan-ROK military alliance, which it considers weak compared with U.S.-Japan and U.S.-ROK alliance, by any means. The recent frequent exchanges between the Japanese Self- Defense Forces and ROK military leaders prove the "active moves of the U.S.-Japan-ROK tripartite military alliance system."

[Reporter] The U.S. remarks on "nonexistent threat of southward invasion and the possible attack to Japan" by North Korea are from the "complete distortion of the reality" and show its "military intervention in and aggressive policy on this region."

[O] The danger of war on the Korean peninsula is growing not because of a so-called threat by the North, but because of U.S. "aggressive maneuver to get a hold of the Korean peninsula and Asia." With its "war scenario" on the Korean peninsula, the United States is showing its hectic war frenzy, conducting military exercise on and around the Korean peninsula daily. If the United States did not pursue its aim to "militarily crush" North Korea by forming a military collusion with the ROK and Japan, the situation on the Korean peninsula "would not have been driven onto the brink of war."

[Reporter] North Korea proposed signing a peace agreement between it and the United States to guarantee peace on the Korean peninsula. However, the United States has disregarded the proposal.

[O] The United States has suggested the participation of the ROK, which has no right in this issue, in signing the peace agreement. This shows it does not want peace on the Korean peninsula or detente in Northeast Asia. Neglecting the proposal for signing a peace agreement, the United States tries to maintain the current armistice state. This "shows its hidden desire to make the situation more tense by aggravating hostilities between the United States and North Korea." If war breaks out on the Korean peninsula, it may be expanded broadly in Asia. The United States "should behave with reason, standing from a peace-loving position, instead of trying to find a ruse to provoke war."

ROK: U.S. Officials: Agreement 'Almost' Reached in MIA Talks

SK0805020296 Seoul YONHAP in English 0129 GMT 8 May 96

[FBIS Transcribed Text] New York, May 7 (YONHAP) — North Korean and U.S. officials almost reached an agreement on the amount of U.S. compensation for North Korea's repatriation of the remains of American soldiers killed during the 1950-1953 Korean war and the organization of a joint team to search for the remains still unaccounted for, U.S. officials said Tuesday.

The officials did not, however, provide any details about the agreement.

A U.S. delegate to the second round of negotiations which began at the Grand Hyatt Hotel Saturday said the two sides might be able to formally announce a final agreement at a press conference Wednesday morning if things continue to go well.

U.S. Spokesman Larry Greer said that negotiations have been constructive and productive, adding that the U.S. compensation will only be provided for the remains of the 162 American soldiers Pyongyang returned to Washington in 1993 and 1994.

In the first round of negotiations in Hawaii last January, North Korea insisted that the United States pay 4 million dollars for the 1993-1994 return of the remains of 162 American soldiers, but U.S. negotiators offered to pay 1 million dollars.

Greer refused to provide any further details regarding the amount or form of compensation.

James Wald, deputy assistant secretary of defense for prisoners of war and missing in action affairs, led the U.S. delegation while Kim Pyong-hong, international bureau director of the Foreign Ministry, headed the North Korean contingent.

There has been some speculation that the two sides might discuss other issues during the New York negotiations, such as direct military contact between Pyongyang and Washington which Seoul is opposed to.

ROK: Yi Chong-hyok Reportedly Asks for 'Emergency' Rice Aid

SK0805011396 Seoul YONHAP in English
0014 GMT 8 May 96

[FBIS Transcribed Text] Tokyo, May 8 (YONHAP) — Yi Chong-hyok, a senior North Korean official, asked for 3,000 tons of emergency aid rice during unofficial talks with U.S. officials, the ASAHI SHIMBUN reported Wednesday in a Washington dispatch.

Yi, who is vice chairman of the Korean Asia-Pacific Peace Committee, made the request by suggesting that "a revolt or revolution might take place" if and when no additional rice aid is provided immediately to alleviate acute food shortages, the daily said.

The 3,000 tons of rice requested by Yi, amounts to merely one 400th of the rice urgently needed in the reclusive country, which indicates just how serious the rice shortage is in the North, the report explained.

The United States reportedly expressed a willingness to consider additional rice assistance from a humanitarian perspective, but on condition that North Korea abide by norms of the international community citing the proposed four-way talks for a Korean peninsula peace agreement and an end to the North's support of terrorism.

During his meeting with U.S. Deputy Assistant Secretary of State Thomas Hubbard last Wednesday, Yi indicated that 1.2 million tons was the total amount of rice actually needed, 600,000 tons until next fall's harvest and 200,000 tons for May and June. Yi then indicated that 3,000 tons was "needed immediately," the dispatch said.

ROK: No Agreement Reached at U.S.-ROK Communications Talks

SK0705120796 Seoul YONHAP in English
1145 GMT 7 May 96

[FBIS Transcribed Text] Seoul May 7 (YONHAP) — South Korea and the United States failed to reach any agreement in the two-day working-level telecommunications meeting that closed here Tuesday.

The U.S. delegation, headed by Deputy Assistance U.S. Trade Representative Christina Lund, demanded that implementing the 1992 agreement on government procurement of communication systems be linked to the opening of new markets for personal communications services (PCS) and private procurement of communication equipment.

The U.S. side also pressed South Korea to make transparent and nondiscriminatory the approval procedure for foreign companies' access to the PCS market, allow foreign companies to participate in the private communications procurement market and open wider the communication service market to foreign firms, officials of the Information and Communication Ministry said.

They called for lower import duties on communication equipment and steps to prevent intentional delay of customs clearance of imported communication equipment.

The South Korean delegation, headed by Kang Sanghun, the Information and Communication Ministry's international cooperation officer, opposed the U.S. demand, saying the opening of the PCS market should be discussed at multilateral telecommunications talks of the world trade organization or at separate bilateral talks from the existing bilateral dialogue.

The two sides will continue to discuss settling the differences through diplomatic channels, the officials said.

ROK: 'Lighter Punishment' to U.S. Servicemen in Subway Brawl

SK0805012996 Seoul THE KOREA TIMES in English
8 May 96 p 3

[FBIS Transcribed Text] Two United States servicemen involved in a brawl in the Seoul subway last May were given fines yesterday, instead of prison terms, in an appeal to the Seoul District Court.

Frank Golinar, 32, who had been given a six-month prison term by a lower court, was fined 1.5 million won (some 1,900 dollars), and Gary Dorr, 24, was fined 500,000 won (some 610 dollars) for their violent acts in the subway.

The subway brawl a year ago fueled strong anti-U.S. feelings here and led to a campaign to revise the Status of Forces Agreement Korea has with United States Forces Korea.

Giving the lighter punishment, the bench said, "The court clearly finds the defendants guilty of violent acts, but has decided not to hand down prison terms because of concern over the negative effects these would have on their service careers."

ROK: DPRK Financial Operation 'Crippled' With No SPA Session

SK0805015696 Seoul KBS-1 Radio Network in Korean 0100 GMT 8 May 96

[FBIS Translated Text] North Korea will probably have to continue its crippled financial operation in the fiscal year 1996 as it did in 1995 since the Supreme People's Assembly [SPA] has not convened for two consecutive years.

North Korea has held one or two SPA sessions each year, and in particular, the details for executing the previous year's state budget and for approving the state budget for the present year were approved at the SPA session held between March and May.

For the two years since the death of Kim Il-song in July 1994, North Korea has not held a SPA session, and so has not been able to approve the budget or execute the budget afterwards in meetings of the SPA Standing Committee, a standing organization of the SPA.

ROK: NSP: Two DPRK 'Defectors' Arrive in Seoul 8 May

SK0805100796 Seoul YONHAP in English 0903 GMT 8 May 96

[FBIS Transcribed Text] Seoul, May 8 (YONHAP) — The Agency for National Security Planning (NSP) announced Wednesday that two North Korean defectors arrived in Seoul in the afternoon from a third country, where they have sojourned thus far.

NSP said that the refugees, who expressed a desire to seek refuge in South Korea, are Yi Chong-kuk, 30, and So Pyong-nim, 34.

Details on the North Koreans, including their identities, have yet to be confirmed. However, Yi is known to have identified himself as a senior lieutenant, a rank below captain, in the North Korean Army.

ROK: Kim Yong-sam Sends 'Personal Message' to Boris Yeltsin

SK0805104196 Seoul YONHAP in English 1034 GMT 8 May 96

[FBIS Transcribed Text] Moscow, May 8 (YONHAP) — South Korean Foreign Minister Kong No-myong, now on an official visit here, conveyed President Kim Yong-sam's personal message to Russian President Boris Yeltsin through a diplomatic channel Wednesday, a diplomatic source here said.

The source said that in the message President Kim reaffirmed that South Korea and Russia are in partnership relations, which together pursue the common value of democracy and market economy.

The message also contained South Korea's unchanging support for the reformative policies of Russia.

Minister Kong leaves here Wednesday afternoon for Seoul by a KAL [Korean Air] airliner.

In Moscow, he conferred with Deputy Prime Minister Vitaliy Ignatenko, Foreign Minister Yevgeniy Primakov and some other high officials to discuss the Korean situation including the proposed four-way talks.

ROK: PRC Asks Tong-A Construction To Build Water Transport Canal

SK0705030896 Seoul YONHAP in English 0248 GMT 7 May 96

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — Tong-A Construction Co. has been asked by China to build a canal to transport water from the Yantze River to a number of cities in China, the company said Tuesday.

Chong Chin-sam, president of Tong-A's Overseas Project Division, reported to the Construction and Transportation Ministry that his company has been offered to participate in a number of the key areas of project ranging from designing, technical support, and the supervision of construction process, among others.

He told the ministry that Chinese authorities also asked the company to participate in the construction of a new city for the residents in the areas where the canal will be built in terms of construction and financing.

Chong also told the ministry his company has been invited to invest in the three Gorges Dam project, China's most ambitious civil engineering work thus far.

Other officials of Tong-A, one of the top construction firms in South Korea, said that they have decided to send a survey team to China to assess the projects.

The planned waterway will transport water from the three Gorges Dam on Yantze River to several Chinese cities to provide a potable water supply for those cities. They are also scheduled to look into the project for a new city.

They said the waterway to transport water to such cities as Beijing, Shanghai and Tianjin through 4,000-mm large pipelines will be approximately 1,240-km long and is going to cost some 12.5 billion U.S. dollars and another 5 billion dollars would be needed to build a new city for some 740,000 residents of the villages and towns to be evacuated.

The projected three gorges dam to be built in the upper reaches of the Yantze is supposed to be the largest river dam in the world.

Chong said seven members of the three Gorges Dam construction committee from China came to Seoul April 16 to discuss the canal proposal and were invited to Libya to take a look at the great man- made river project that Tong-A is currently working on.

Tong-A is about to be awarded a contract to complete the last- phase of the Lybian project that is valued at some 10 billion dollars and is putting the finishing touches on the earlier stages which began nearly a decade ago.

"It is true that the projects have been offered to us, but the big picture will become more clear next month after a team of technical experts has surveyed the projects and make recommendations," the company officials said.

ROK: Former NKP Chairman Kim Yun-hwan Leaves for Japan

SK0805105496 Seoul YONHAP in English
1036 GMT 8 May 96

[FBIS Transcribed Text] Seoul, May 8 (YONHAP) — Kim Yun-hwan, former chairman of the ruling New Korea Party [NKP], left the country Wednesday afternoon on a visit to Japan in the capacity of chairman of the Korea-Japan Parliament Union.

He was accompanied by his wife, Mrs. Yi Chol-cha, and youngest daughter, Yun-kyong.

Kim is expected to take a rest for several days in a local Japanese city before meeting Japanese officials of the parliament union.

"Many questions are pending before our union, but I couldn't find time to visit Japan and discuss them as I had been busy with party affairs," Kim said.

He was seen off at the airport by a number of NKP officials including Secretary General Kang Sam-chae.

ROK: Kim Yong-sam on Plan To Make ROK 7th Biggest Economy

SK0605030196 Seoul YONHAP in English
0147 GMT 6 May 96

[FBIS Transcribed Text] Seoul, may 6 (YONHAP) — President Kim Yong-sam instructed the cabinet Monday to draft "a realistic plan" to help the nation become the world's seventh largest economy by 2020 and successfully implement it.

While presiding over the meeting focusing on long-term economic development for the 21st century in a Chong-wadae [presidential offices] conference room, Kim said because the economy will face stiffer competition from foreign economies, all players in the economy — the government, citizens and businesses — should make a concerted effort to help Korea become "a first-class economy" in the coming century.

The master plan for economic development in the 21st century will be finalized in July and should be a design for the nation's future which can give the next generation cause for hope and dreams.

While delivering a report on a vision and development strategy for the Korean economy in the 21st century, President Cha Tong-se of the Korea Development Institute predicted that South Korea will become the world's seventh largest economy with a per capita national income of 31,020 U.S. dollars by 2020.

South Korean foreign trade will surpass Britain, Italy and Canada in amount to rank sixth (2.44 trillion dollars) in the world, he added.

Life expectancy will increase from 73 years last year to 77 years in the next 25 years, while population per physician will fall from 962 in 1995 to 401.

The number of students per teacher will also decrease to 18 in primary schools and 14 in secondary schools, and cars per 1,000 of the population will increase from 116 in 1994 to 395 in 2020.

Attending the meeting were Prime Minister Yi Su-sung, Finance and Economy Minister Na Ung-pae and other economic ministers, ruling New Korea Party Chief Policymaker Kim Chong-ho, Chairman Choe Chong-hyon of the Federation of Korean Industries and Seoul National University President Sonu Chong-ho.

ROK: President Kim Addresses New Korea Party National Committee

SK0705064596 Seoul YONHAP in English 0629 GMT 7 May 96

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — President Kim Yong-sam, who concurrently heads the ruling New Korea Party [NKP], on Tuesday called for the emergence of big politics in the country.

"Big politics ushering in the 21st century is a public will, not a mere expectation but a solemn order," the chief executive said. "Now big politics must emerge that will spearhead the 21st century."

President Kim made the remarks in an address he delivered at a meeting of the NKP National Committee convened at the Hyatt Hotel Tuesday to endorse President Kim's nomination of former Prime Minister Yi Hong-ku as party chairman.

Kim called on his party to practice "future-oriented, clear and clean politics, and politics combining the people into one and preparing for national unification" in order to realize the "big politics."

"The time has come for us to reshape politics in a way that gives hope to the people and helps us advance toward the future. Old- fashioned politics must be done away with," Kim said, adding, "to plant dreams of the future in citizens a generational shift must take place in political leadership."

The country has to be freed from corrupt politics based on influence peddling and the illicit accumulation of fortunes, neither of which should be tolerated in the name of custom, Kim maintained.

Kim also insisted that regional rivalries in politics must be replaced by "an integrated political system that unites the people."

When referring to territorial unification, Kim said, "peaceful unification is a cherished goal for Korea and has emerged as a practical task that could confront us at any moment. Unification is a major proposition that involves building a world-class country in the 21st century...our political system must be prepared for unification."

Kim exhorted the government party to fulfill its responsibility to liberate the country and people from obsolete and corrupt political practices, asserting that "reform amidst stability is a mandate from citizens."

"The momentum of such reforms builds if we are more strict with ourselves...we must practice big politics and place the party before individuals and the state before a party," Kim added.

ROK: Ruling New Korea Party Reshuffles Major Leadership Posts

SK0805051296 Seoul YONHAP in English 0454 GMT 8 May 96

[FBIS Transcribed Text] Seoul, May 8 (YONHAP) — Rep. Kang Sam- chae was retained as secretary general of the ruling New Korea Party (NKP) in a major party reshuffle conducted by President Kim Yong-sam Wednesday.

Rep. Kim Tok-yong was appointed the state minister for political affairs, while Rep. Yi Sang-tok was named chief policymaker.

Rep. So Chong-won was named floor leader and Rep. Pak Pom-chin was retained as chief secretary to the party president.

Kim Chol, who was first elected in the April 11 general elections, was named party spokesman, while Yi Wan-ku was named chief secretary to Chairman Yi Hong-ku.

The new party lineup reflects President Kim's intention to place the government party under his own clout without recognizing intra-party factions, analysts said.

Kim Tok-yong's appointment as state minister was especially noteworthy because all other 1997 NKP presidential hopefuls were excluded from major party positions.

The general meeting of recently elected lawmakers is scheduled to convene Thursday morning to endorse new floor leader So.

Retained Secretary General Kang has been elected to the National Assembly four times by his home district of Masan, South Kyongsang Province. A graduate of Kyonghui University, Kang entered politics as an opposition party member before he joined the ruling party in the three party merger of 1990.

Chief Policymaker Yi was elected to parliament three times and once served as president of Kolon International Corp. before joining the then ruling Democratic Justice Party in 1988. A native of Yongil, North Kyongsang Province, he graduated from Seoul National University's College of Commerce.

Floor leader So Chong-won began his political career as an oppositionist since he worked as a reporter of vernacular CHOSON ILBO. A graduate of Chungang University, he has been elected four times to the assembly from a Seoul district.

Chief Secretary to Party President Pak Pom-chin is a journalist-turned politician and formerly served as party spokesman. After he graduated from Seoul National

University, he worked as a reporter for the CHOSON ILBO and later editor at SEOUL SINMUN.

New Spokesman Kim Chol first became a national assemblyman on the national representation ticket in the April general elections. A graduate of Hankuk University of Foreign Studies, Kim was previously a political reporter at TONG-A ILBO and CHOSON ILBO before he was chosen to be a Chongwadae [presidential offices] secretary in 1993.

ROK: NKP's Reshuffle of Major Leadership Posts Analyzed

SK0805094396 Seoul YONHAP in English
0901 GMT 8 May 96

[FBIS Transcribed Text] Seoul, May 8 (YONHAP) — The reshuffle of the New Korea Party [NKP]'s key post holders Wednesday indicates that President Kim Yong-sam is intent on steering the ruling party in person.

After naming former Prime Minister Yi Hong-ku, who is widely believed to be having no presidential ambition, as a "face" of the party, President Kim, who concurrently heads the ruling party, posted influential members of his Minju (democratic) faction to key positions.

Such personnel appointments are designed to assist Yi, a freshman in party politics, with his bid to control the government party in a neutral way or without siding with any intra-party factions until a presidential candidate is chosen next year, political observers say.

The retention of Kang Sam-chae as secretary general, according to the analysts, is a clear indication that the party will operate under Kim's direct guidance, while maintaining consistency of party affairs.

Until the end of his tenure which is less than two years away, President Kim needs to keep himself from becoming a lame duck as much as possible and at the same time is tasked with the political responsibility of seeing an NKP candidate elected in the forthcoming presidential election slated for December next year.

President Kim may have accordingly retained Kang, who is loyal to him and whom he trusts, as the right person for the post, they say.

In addition, the New Korea Party has to initiate its organizational revamp, which has been put off for nearly a month since the general elections, and complete the recruiting of opposition and independent lawmakers-elect in a bid to secure a parliamentary majority. Kang may have been judged as the man who is best suited to fulfill these tasks, according to the observers.

The appointment as floor leader of Rep. So Chong-won, another leading figure of the Minju faction, also backs up the observation that President Kim intends to steer the 15th National Assembly according to his intent.

A four-term lawmaker So, who is moderate and suave, will certainly be a help to Chairman Yi in managing affairs related with opposition parties.

So's appointment appears to have also taken into account the current political deadlock brought forth by opposition camp's threats to boycott the opening session of the new legislature in protest of the government's biased investigations of election frauds.

In view of the fact that President Kim emphasized the need of ending regional antagonism and a generational shift in politics for the realization of what he called "future-oriented big politics" in his address at the NKP National Congress Tuesday, the appointment of So, his confidant, as floor leader heralds that the government party will take offensive on the floor as well.

Perhaps most noticeable in the reshuffle is the recruitment of three-term lawmaker Kim Tok-yong, one of the presidential hopefuls in the party, as political affairs minister, observers say.

A "forerunner in reformists" within the party, Kim has a large number of close personal contacts not only in the minor opposition Democratic Party but dissident groups as well. Kim Tok-yong's appointment has given rise to speculation that President Kim may have a political realignment in mind.

ROK Government Appoints Members to New Labor Affairs Committee

SK0605131396 Seoul YONHAP in English
1209 GMT 6 May 96

[FBIS Transcribed Text] Seoul, May 6 (YONHAP) — Hyon Sung- chong, one-time prime minister, has been designated as chairman of the Labor-Management Relations Reform Committee to be set up shortly as a presidential advisory organ, the Labor Affairs Ministry reported Monday.

The committee, to be inaugurated on May 9, will consist of 30 committee members and 20 specialized staffs.

Yi Se-chong, former Bar Association president, has been tapped as vice chairman and Pae Mu-ki, SNU [Seoul National University] professor, as a Standing Committee member, the ministry said.

ROK Records Worst Quarterly Merchandise Trade Since 1990

SK0805081596 Seoul YONHAP in English
0723 GMT 8 May 96

[FBIS Transcribed Text] Seoul, May 8 (YONHAP) — South Korea's terms of merchandise trade have become the worst since the final quarter of 1990, as import prices rose but export prices fell in the first quarter of the year.

But a total import volume available with the total export volume has increased, indicating that the nation's trade deficit will fall, according to the Bank of Korea.

In the January-March period, export unit prices fell 2.3 percent on average from a year earlier but the average import unit price rose 2.7 percent to worsen the terms of trade by 5 percentage points, the central bank said.

This was the worst since the fourth quarter of 1990 when they fell 13.2 percentage points from the year before.

Increased import prices of industrial materials, such as crude oil and pulp, combined with lower international prices of manufactured goods, including chemicals and electronics, have worsened trade terms, a bank official said.

Terms of trade with Japan and the United States dropped 5.7 percent and 6.6 percent, respectively, and those with the Middle East oil exporting countries fell 5.6 percent.

Increased export volumes of heavy and chemical industry products increased the total import volume available with exports by 18.3 percent in the three-month period from a year earlier, exceeding the actual 13.9-percent increase in the import volume in the period.

Accordingly, the customs-cleared trade deficit in the first quarter narrowed to 3.84 billion U.S. dollars from 4.33 billion dollars a year earlier.

ROK: Private Businesses Allowed To Construct ASEM Facilities

SK0705110796 Seoul YONHAP in English
0742 GMT 7 May 96

[FBIS Transcribed Text] Seoul, May 7 (YONHAP) — The government has decided to allow private businesses to construct and manage the facilities for the third Asia-Europe Meeting (ASEM) slated for the year 2000 in Korea and see to it that ASEM-related facilities are completed at latest by the end of 1999.

The committee said it will choose the site by the end of this month.

An ASEM preparatory committee meeting presided over by Prime Minister Yi Su-song Tuesday adopted the standards and timetable for selecting the venue for the ASEM a private-level advisory committee recommended a day earlier.

The preparatory committee said that it will choose a site where private businesses can construct convention facilities, which can be used for commercial purposes after the meeting, either on their own or jointly with local governments.

By 1999, the committee said, the venue needs to have a 5,000- capacity convention center and five-star hotels equipped with 35 presidential suites altogether.

The venue should provide accommodation for ASEM secretariat staff, journalists and security guards, it was said.

General considerations include proximity to an international airport, transportation between the airport and convention center, traffic, security and cultural environment.

The first ASEM involving 26 leaders from the two continents was held in Bangkok March 1-2, where the participants agreed to forge a new comprehensive Asia-Europe growth-oriented partnership. The second meeting will be held in Britain in 1998.

Burma

Burma: Officer Interviewed on Drug Warlord's Detention

OW0805101796 Tokyo KYODO in English 0936 GMT 8 May 96

[FBIS Transcribed Text] Yangon [Rangoon], May 8 KYODO — Drug warlord Khun Sa, who surrendered to the Myanmarese [Burmese] Government in January, is still in a military security camp and the government has not yet decided on his future, a senior military officer involved with security said Wednesday [8 May].

Asked about foreign media reports that Khun Sa gave 200 million dollars in return for his freedom, the officer, who asked to remain anonymous, said, "It is absolutely nonsense. He has unconditionally surrendered."

"He is in the process of debriefing in a military security camp. The government has not yet decided about his future, except that he will not be extradited," the officer said in a KYODO NEWS interview.

Khun Sa surrendered in early January with over 13,000 men of his Mong Tai Army. After organizing the surrender of those men and different parts of the ethnic state of Shan in eastern Myanmar [Burma], he was brought to Yangon on March 4.

There has been no official announcement about Khun Sa's future, except for a Foreign Minister Ohn Gyaw's statement Feb. 9 that Khun Sa will not be extradited and that he will be dealt in accordance with Myanmarese law and tradition.

Burma: Khun Sa Opens Casino Near Thai Border

BK0705113496 Bangkok PHUCHATKAN in Thai 6 May 96 pp 1,2,4

[Unattributed report]

[FBIS Translated Text] Chiang Rai — A casino that is owned by a group of Khun Sa's men opened in Thachilek in Burma at the beginning of April. According to a former executive of the Mong Tai Army, who is the source of this report, the casino is being temporarily housed in an old thatch-roof wooden structure in front of the old stadium in Thachilek. The casino is open to Burmese, Shan, Wa, and Thai gamblers from 0600 to 2400 everyday. There are several games at the casino, including cards, dice, blackjack, roulette, and slot machines; and there are no limit to the betting stakes. Construction of a concrete structure is underway nearby and it will be the permanent site of the casino once it is completed.

According to the source, visitors to the casino said that "Khun Sa" is the owner. Khun Sa was awarded a license by the Burmese Government to run a casino in Thachilek. The casino, however, is registered under the name of "Nao Akoe," a local businessman of Haw Chinese origin. Khun Sa was awarded the right to open a casino by the Burmese Government after he surrendered and handed over his weapons to the Burmese authorities in January this year.

Although it is generally known that Khun Sa is the owner of the new casino in Thachilek, a group of Thai businessmen have also invested in it. They are gems traders from Chiang Rai and Chiang Mai.

In fact, a group of businessmen and big gamblers from Bangkok have already invested in a casino project there. It is a joint venture with an ethnic Wa minority group and a group of Burmese military leaders. The investment of the three groups was at the ratio of 80%, 10%, and 10%. The casino is also in Thachilek and is called "VIP Casino." It is known to cost some dozens of millions baht in investment capital when it opened in early 1995. This group of Bangkok businessmen is led by a well-known gambler — "Korot." Korot once planned to open casinos in Indochinese countries with support from high-ranking Thai military officers who have close ties to high-ranking Burmese military leaders.

Despite the casino in Thachilek still lacking up-to-date services, the place is being frequented by gamblers both big and small. The official opening of the casino will be made after construction of the permanent building is completed.

Meanwhile, the small gambling dens that are prevalent in Thachilek remain open for business as usual. They serve the small gamblers who are native to the area. There are services for Thai customers, especially those from Mae Sai District, Chiang Rai Province — local businessmen in Mae Sai District arrange for trips of groups from Thailand. At a hotel in Mae Sai, there is a bus service that operates the same hours as the casinos.

The same source said the Burmese Government allowed the Wa and Khun Sa groups to open casinos in Thachilek because it wanted to give a chance to the former rebel groups, which have now surrendered to the Burmese authorities, to make a living and to generate income for the Burmese Government at the same time.

The Wa ethnic minority group, once a rebellious group against the Burmese Government, has been allowed to operate certain businesses after agreeing to a ceasefire with the Burmese authorities. Profits earned from those businesses must be divided with the Burmese military government.

The condition of opening casinos in Thachilek is the same — 40% of the profits must be go to the Burmese

Government and the groups investing in the casino projects can retain the other 60% of the profits.

Apart from the group of businessmen with joint investment with the Wa and Khun Sa groups, two other groups of Thai businessmen have been awarded official concessions for operating casinos in Burma. They are:

1. The group of Prasit Phothasuthon, Deputy Finance Minister Praphat Phothasuthon's elder brother. This group operates under the auspices of the Withawat International Company Ltd. It plans to open a casino project in the Golden Triangle, with a hotel, resort, and a golf course. The project is under construction, and the group is now negotiating with a group of foreigners for joint investment after the problems it had with the business group from Japan.

2. The West Group of Wikrom Aiyasiri, owner of the Dusit Island Resort Hotel in Chiang Rai Province, has been awarded the right to open the casino-hotel "Andaman Club Myanmar" on the 5,000-rai island of Ko Son opposite Ranong Province. The project has an investment capital of 700 million baht, and it is already in service.

Concerning the Khun Sa groups' business, the source said that apart from the casino, the group also plans to open a jade and jewelry center in Thachilek. The company will be located in the same building as the casino and will serve as a jewelry trade center in Burma. There is also a plan to link the service of the center in Thachilek with a jade company in Chiang Mai Province under the name of a Thai national. The jade company, located on Huai Kaeo Road, Tambon Suthep, Muang District, in Chiang Mai, will serve as a link between foreign buyers and the center in Thachilek. The group agreed to give the Burmese military junta 50% of the profits earned from jade and jewelry trade.

Asked whether the mushrooming of gambling dens and casinos in neighboring countries so close to Thailand's border would affect internal security, General Charan Kunlawanit, secretary general of the National Security Council, said there is nothing to be concerned about. He said it is the right of Thai nationals to go there to gamble. If the authorities feel that this trend could aggravate crimes in the country, it is their duty to take precautionary measures. All crimes will be investigated under Thai law if they are committed in Thailand, and under the law of respective countries if they are committed outside of Thailand.

Burma's Suu Kyi: Foreign Firms Working for Own Destruction

BK0705110796 Melbourne Radio Australia in English 0630 GMT 7 May 96

[From the "International Report" program]

[FBIS Transcribed Text] In her strongest warning so far, Burma's prodemocracy leader, Aung San Suu Kyi, says foreign companies are working for their own destruction if they invest in Burma under the military regime.

Burma's military government says record levels of investment are fueling new growth which will trickle down to the rest of the people. But, Suu Kyi says Burma's economy is not recovering with inflation causing an unsustainable Marcos-style wealth gap that will lead to the military's downfall, and Suu Kyi told Evan Williams [Radio Australia's correspondent] she is ready for re-arrest if her political work leads to it.

[Begin recording] [Williams] Suu Kyi can still only talk to the people from her gate. Her supporters are jailed and watched and the military refuses to talk to her. Nine months after her release, Suu Kyi admits she has achieved only a negative. She has proved that despite her release nothing else has really changed in Burma.

With reforms attracting new business interest, the regime is in a race with time: get enough investment to keep the people happy and away from politics long enough to consolidate their hold on political power. It is starting to work, but Suu Kyi says the regime will eventually crumble because it simply does not have the people's support.

[Suu Kyi] Because even though the people are frightened — and they are frightened, we don't deny that; helpless people, people who have nothing on their side are frightened of people with guns, that is only natural — but the more lawless the government becomes, the more supportive the people become, because they all know that they cannot be secure under a lawless system.

[Williams] Officials — your own officials — are saying that now there might be an attempt to [words indistinct] or aspire to the leadership itself. Now, isn't that a particularly dangerous policy or process which could lead you back into house arrest or jail, eventually take everything back to square one...

[Suu Kyi, interrupting] But, everybody who is involved in the democracy movement knows that he or she is in danger of imprisonment at any time, so that for us is nothing unusual, nothing to be particularly frightened of.

[Williams] So you're prepared to provoke [words indistinct]...

[Suu Kyi, interrupting] We don't provoke for the sake of provocation. What we feel is that we have a duty as the leaders of a political party to protect our supporters and our followers and we are simply carrying out our responsibilities. We are not deliberately provoking anybody.

[Williams] But every time, every day we see things get worse. In fact, more people are arrested, human rights abuse continues. In fact it gets worse now because of your activities, in a way, because people coming to you are being arrested and given the maximum jail terms. How long can it go on?

[Suu Kyi] We can go on, as I say. If they lop off one limb we'll grow two. And of course, if they [word indistinct] hate people whatever they may achieve in the way of hotels it's not going to do them any good. And as I said because anything about the price of rice — that is crucial to our country. It is no use showing 10 new hotels if the price of rice is so high that millions of Burmese are hungrier than they were.

[Williams] Right. But what are you doing [words indistinct] can't put any pressure on them. I mean...

[Suu Kyi, interrupting] Now, that is part of our program that I said I will not talk about.

[Williams] But you have sent letters to them, you have been rude to them, you criticize them in public, which is extraordinary in this country...

[Suu Kyi, interrupting] I have never been rude to them.

[Williams] Well, you have been fairly critical, calling them lawless; using lawless acts. I mean that's...

[Suu Kyi, interrupting] Of course, that is exactly just describing what is actually going on.

[Williams] Okay. You increase the pressure step by step. Step by step you are increasing the pressure but it is effectively rhetorical, you are not being able to do anything really effectively.

[Suu Kyi] Well, that depends on how you look at it, because, of course, what we are now teaching people to do is to question what the government is doing and that is quite effective in quite a number of places. These are the things that you do not see because all you see are the official statements.

[Williams] Your policy is exactly what on foreign investment and aid right now?

[Suu Kyi] Our policy is that any investment made now is not going to bring any long-term profits for those who are investing, and certainly it is very much against the interests of the people of Burma because most of the investments coming in are coming in through the same privileged group which is getting richer and richer, and more and more intent upon seeing them clinging to power. So, I think, in fact, foreign investors now are working for their own destruction.

[Williams] But (?then you'll hear) those people say that any country is the same; that you have an elite which creams it off the top to start with. It does have a trickle down effect. It will eventually get down to the people.

[Suu Kyi] But I think the situation in Burma now is somewhat like the situation in the Philippines under Marcos where there was an open economy of sorts and some families, some circles in the Philippines were very, very rich and the people who were poor were getting poorer and poorer and then in the end they were not able to take it anymore. So, we cannot say that the situation now makes for stability. But SLORC [State Law and Order Restoration Council] claims that they have achieved stability. If you have actually achieved stability, why are they so afraid of us? You do not expect a government that is confident of its own achievements to be so frightened of an unarmed opposition party. [end recording]

Brunei, Malaysia & Singapore

Malaysia

Malaysia: Korean Company Sees Malaysia as Arms Market Site

96SE0069A Kuala Lumpur UTUSAN MALAYSIA in Malay 26 Mar 96 p 14

[FBIS Translated Text] Kuala Lumpur, 25 Mar—Hyundai Precision and Industry Co., Ltd., a South Korean company supplying military equipment, characterizes Malaysia as a top location for developing the arms market in the Asian region.

As the first step, the company has reserved a 700-square-meter area for exhibiting ground weapons systems worth 33 million ringgit, which will be the objective of the Defense Services of Asia (DSA 96) exhibition at the Putra World Trade Center from 23 to 26 April.

The exhibition, held by the Malaysia Exhibition Services Sdn. [Incorporated] Bhd. [Limited] and the Datum Corporation Sdn. Bhd., is expected to provide returns of 2.5 million rupiah to Hyundai.

As of now, H.M. Rhyoo, Hyundai's senior director of trade and international operations in the Defense Systems Division, said the company will also exhibit three armored vehicles of the K1 class, which encompasses the K-1M major tank (MBT), the K-1 armored vehicle (ARV), and the K-1 armored vehicle launch platform (AVLP), in addition to a "powerpack" set containing a transmission and engine.

He said that the presence of Hyundai at the exhibition is the first attempt to penetrate the defense and security market in Malaysia and the Asian region.

"We have been informed that the Malaysian Army is also planning to form a tank force, and this will be the best opportunity to introduce our high-technology products to the Malaysian Government," he said.

Malaysia is the place to be located for penetrating the defense market in Southeast Asia, Rhyoo said.

Touching on the special features of the K1-M, Rhyoo said that it is the most modern tank to be exhibited at DSA 96 and can shoot farther and faster than its competitors.

Malaysia: Minister Discloses Amount of Defense Allocations

BK0805112096 Kuala Lumpur BERITA HARIAN in Malay 8 May 96 p 13

[Unattributed report]

[FBIS Translated Excerpt] Kuala Terengganu, Tue — The Defense Ministry has been given an allocation of more than RM [Malaysian ringgit] 7 billion in the Seventh Malaysia Master Plan (RM-7). This allocation does not include any additional funds needed to meet any demand considered important.

Defense Minister Datuk Syed Hamid Albar said that a large portion of the allocation will be utilized toward supporting the program that was already approved in the Sixth Malaysia Master Plan (RM-6). He explained that the allocation was meant for the purchase of several frigates from the United Kingdom, Italian-made corvettes, CN-235 transport aircraft from Indonesia, U.S.-made F/A-18D jet fighter aircraft and Russian-made MiG-29N jet fighter aircraft.

The minister said the program was part of the Malaysian Armed Forces modernization program which was included in the Sixth Malaysia Master Plan. The program will be implemented in the RM-7.

Speaking to reporters after attending a dinner at the chief minister's residence marking the conclusion of a high-level Territorial Army Regimental Commanders Conference here last night, he said: "However, an estimated excess of RM1 billion will be utilized based on the important need to modernize another program of the Malaysian Armed Forces."

However, he stated that the Defense Ministry could submit a proposal to the government for more funds should an important and pressing need arise. [passage omitted on government's expenditure during RM-6]

Singapore

Singapore: New 'Myanmar Business Group' Launched

BK0805033596 (Internet) Television Corporation of Singapore WWW in English 0116 GMT 8 May 96

[FBIS Transcribed Text] Singapore companies should seize the economic opportunities in Myanmar [Burma] and cultivate more in depth knowledge of the country's market.

Trade and Industry Minister Yeo Cheow Tong said this would make them more attractive partners to foreign firms interested in investing there.

Speaking to reporters after the launch of the new Myanmar Business Group, he said some European and Japanese companies had expressed deep interests in going into Myanmar with Singapore.

Mr. Yeo said the Group will help cut down the learning curve for new companies venturing into the country.

On the decision by US soft-drinks giant Pepsi last week to sell its stake in a bottling plant in Myanmar, he said our companies could seize the opportunity to take advantage of this development.

Comprising some 120 members, the Group is headed by Sum Cheong International's President and Chief Executive Officer, Dr. Ong Chit Chung.

Cambodia

Cambodia: Sihanouk Said 'Only' Father of FUNCINPEC

BK0405150796

[FBIS Editorial Report] On 1 and 2 May, CHAKKRAVAL carried two articles written by the same columnist Popich Chiep lambasting King Sihanouk for blowing hot and cold and maneuvering to dissolve the government.

After recounting the king's past mistakes, such as having a dozen wives, not being able to properly educate his children, mistakenly implementing a nationalization policy, and wrongly leading a demonstration and attack against the U.S. Embassy in Phnom Penh, and so on, the 1 May article says "the king's influence is now declining because he likes to tell lies." The article adds that the king always claims he loves everyone like his own children. However, when he sees that his son's party, which is corrupt, demagogic, and unpopular, is about to vanish, "he turns to creating political instability in order to help his darling. As such, his claim that he loves the people is not true."

The columnist's article published on 2 May says the king carefully organized meetings among members of his royal family, high-ranking FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] officials, and Sam Rangsi in France to find ways to stage a demonstration to call for dissolution of the Royal Government [RG]. The is aimed at forcing the RG to hand over power to the king, who is the founder of FUNCINPEC and its former party chairman. The article claims: "This shows that King Norodom Sihanouk Varaman has not yet given up his ambition of retaking power in violation of the Constitution."

The article concludes: "Henceforth, King Norodom Sihanouk Varaman of the Kingdom of Cambodia is no longer worthy of being called the grandfather or great grandfather of the Cambodian people. He is now only the father of FUNCINPEC, which he has created."

Cambodia: People Reportedly Prepared To Flee as Tension Mounts

BK0805050596 Bangkok THE NATION in English 8 May 96 p A6

[Unattributed report]

[FBIS Transcribed Text] Cambodians were reported to be flooding into the western border town of Poipet, opposite Sa Keao's Aranyaprathet district, for fear of civil war breaking out due to the political tension that has surfaced between FUNCINPEC [National United Front for An Independent, Neutral, Peaceful, and Cooperative Cambodia] and the Cambodian People's Party [CPP], the two major coalition partners.

This followed a report that the government has ordered a full security alert to fend off a possible coup d'etat. All military commanders were said to have been ordered back to Phnom Penh and leave has been cancelled for all soldiers.

Basai Huot, 45, said he had come from Phnom Penh with many of his friends and was staying with his sister in Poipet. They planned to cross into Thailand if the situation worsened.

An army officer in Poipet said it was likely the situation could get worse as the government in Phnom Penh is on full alert.

The government's military operations against Khmer Rouge guerrillas bases in western Cambodia have been stopped due to the approaching monsoons and Second Prime Minister Hun Sen has blamed the failure to crush the Khmer Rouge base in Pailin on FUNCINPEC's lack of motivation.

Most key FUNCINPEC ministers, including First Prime Minister Prince Norodom Ranariddh, are holidaying in Paris, which has also been alleged to be political in nature following the worsening situation in Cambodia.

FUNCINPEC has threatened to scrap the constitution if the CPP refuses to allow equal power-sharing among provincial authorities. In a stinging response, Hun Sen threatened to use force against those who attempted to scrap the constitution. In the latest development, the CPP is pushing for a nationalisation bill to ban ministers from holding dual nationalities, which a number of FUNCINPEC ministers have.

Indonesia

Indonesia: Suharto Holds Talks With Malagasy Counterpart Zafy

BK0805104596 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 8 May 96

[FBIS Translated Text] President Suharto welcomed President of Madagascar Albert Zafy and his wife Augustine Zafy at a ceremony at Jakarta's State Palace this morning. The Malagasy president, who began his three-day state visit to Indonesia today, was welcomed by a 21-gun salute and the playing of the national anthems of the two countries. Mrs. Sutrisno, wife of Vice President Try Sutrisno, was on hand to greet the Malagasy president's wife.

Then, accompanied by Foreign Minister Ali Alatas and Minister- State Secretary Murdiono, President Suharto sent off the Malagasy president and his entourage to the State Guest House where they will be staying during their visit. Murdiono briefed reporters on the outcome of talks between the two leaders as follows:

[Begin recording] The Malagasy president expressed his condolences on the recent death of Indonesia's First Lady on behalf of his government and people. He also hoped President Suharto will be bestowed with mental and physical strength in leading the country and playing his role in international movements, especially the Nonaligned Movement. President Suharto thanked his Malagasy counterpart for his condolences and expressed his joy at meeting him. [end recording]

Indonesia Sets New Fines for Violations on Import Declarations

96SE0074C Jakarta BISNIS INDONESIA in Indonesian 17 Apr 96 p 4

[FBIS Translated Text] Importers who make errors in declaring the type or quantity of imported goods can be assessed a maximum fine of 500 percent of the Import Duty (BM), said an official of the Ministry of Finance.

Agus Haryanto, head of the legal affairs and public relations office of the Ministry of Finance, said that the Customs Laws follow a self-assessment system, so that importers themselves fill in the type and quantity of imported goods and the duties owed, such as the BM and the Value Added Tax (PPN).

"But if errors are found in those import documents, the importers can be assessed fines of at least 100 percent and at most 500 percent of the BM (import tax)," he said in a press release yesterday [16 April].

Agus explained that the fines are based on a percent of the BM underpayment. If the underpayment is 25 percent to 50 percent of the BM already paid, the importers will be assessed a fine of 100 percentage of the underpayment.

Importers will be fined 200 percent if the BM underpayment is more than 25 percent to 50 percent. A fine of 300 percent will be imposed if the BM underpayment is between 50 percent and 75 percent and the fine will be 400 percent if the importer underpays by between 75 percent and 100 percent.

"The maximum fine of 500 percent will be applied if the BM underpayment is 100 percent of what has been paid," said Agus.

Indonesian President Urges All Voters To Monitor Election

96SE0067B Jakarta SUARA KARYA in Indonesian 9 Apr 96 pp 1, 11

[FBIS Translated Text] Jakarta (SUARA KARYA)—The president recommends that voters in the next general election also use their rights to oversee the election process. If there is any deviation from provisions of the Election Law, people should report it to the Election Supervisory Committee (PANWASLAK).

The chief of state made this recommendation to the KOSGORO [Multipurpose Mutual Help Cooperative] Collective Central Leadership Board, headed by Bambang Suharto, on Monday [8 April] at the Bina Graha [president's executive office]. Earlier, the KOSGORO leadership had reported that all of its members had asked to have a part in overseeing the general election. Therefore, KOSGORO felt that the formation of a separate board for overseeing the election was not necessary.

"The president said that it will be very good if any shortcoming or anything that needs to be recorded is reported directly to the PANWASLAK, because we have a system that is in place and a law that applies," Bambang Suharto said.

When asked whether the group would recognize the Independent Committee for Monitoring the General Election (KIPP), the KOSGORO chairman said, "I do not think we have the authority or right to say whether we recognize it or not. We feel that KOSGORO does not need to worry about that. In other words, we consider it the duty of all the people."

He said, however, that as long as the committee does not violate established guidelines and laws, the people can accept it. "Therefore, KOSGORO does not intend to form a task force or group to oversee the election, because voters automatically have the political right to conduct oversight," Bambang Suharto said.

As for KOSGORO's position in the next general election, Bambang Suharto said that it cannot be denied that KOSGORO will take the side of GOLKAR [Functional Group].

It is in KOSGORO's interest, he said, that a GOLKAR victory in the next election be a quality victory. A quality victory means one that is conducted through persuasion and education, so that it increases public participation.

Regarding a majority force, he said that KOSGORO feels that without a majority force it will be difficult to develop the nation calmly.

"I would like to say that such a quality victory must be one of quantity as well as quality," Bambang said. Thus, he continued, it must be able to create a "strong government," because a majority victory means a "strong government." A country like the United States also needs a "strong government," which means a majority victory.

"With a strong government we can develop the nation. Thus, we merely use the existing procedures until the people flock to existing polling places to vote for their choices among existing sociopolitical organizations," Bambang Suharto said.

National Leadership

The president asked all KOSGORO members to strength the state's system as a national leadership system. As for state leadership, the president said that the system already exists and needs only to be improved. In this way, this national leadership system will work better as time passes.

If the national leadership is already working well, that means a law on the presidency is not needed. According to the KOSGORO leadership, the law is in fact no longer needed, because a national leadership system is included in the 1945 Constitution. "The system is stable, and the president has said that the purpose of this system is not personal interests, but the interests of the nation and the state," Bambang Suharto said.

School

The KOSGORO leadership reported to the president that the organization has 490 schools, from elementary schools to colleges. Hearing this report, the president asked KOSGORO to help in the implementation of nine-year compulsory education.

The president commented on charges that there has recently been a decline in morals, saying that this is not the result of national development. "This moral decline is a result of the fact that people have fulfilled their material needs, but this has not been accompanied by the fulfillment of spiritual needs and the need for spiritual education, namely religion," the president said.

Therefore, the president asked that each fifth-grade class in KOSGORO schools be given religious education, like an accelerated "Islamic boarding school," according to each student's religion.

From the outset, however, the first grade is given religious education, either Islamic, Christian, Catholic, Hindu, or Buddhist. Then, in the fifth grade, those who are Muslims must go to an accelerated Islamic boarding school for two weeks.

Indonesian Islamic Leader Urges Presidential Election Law

96SE0067A Jakarta KOMPAS in Indonesian 8 Apr 96 p 14

[FBIS Translated Text] Jakarta (KOMPAS)—Abdurrahman Wahid, general chairman of the PB NU [Executive Council of the Islamic Scholars League], feels that a law on the presidency is needed for the development of a presidential election mechanism. "The Constitution says that the president is elected by the MPR [People's Consultative Assembly], but we do not yet have a mechanism for how the MPR is to do that," he told the press in Jakarta last week.

According to Gus Dur—Abdurrahman Wahid's nickname—the election is handled under the MPR Rules of Order, and that is considered a mechanism for the election. "The rules of order only cover election methods, however, not the mechanism, such as who votes or how the nomination process works. All of that is the mechanism that should be included in a law," he added.

Gus Dur therefore stressed that there must be a law on the presidency, so that the nomination and election process, and everything related to the institution of the presidency, will be clear and have a strong legal basis. "Now, we have only a system that is included in the law on the structure and status of the MPR and in the general election law, but there is not yet a mechanism for how the election of the president is done."

Gus Dur also feels that the 1998 MPR General Assembly still needs a single majority so that the General Assembly process will move smoothly. According to Gus Dur, the next General Assembly will be very difficult.

"As for who the single majority may be, it could be anyone—the PPP [Indonesian Development Party], GOLKAR [Functional Group], or the PDI [Indonesian Democratic Party]—as long as the process is proper," the PB NU general chairman declared.

He said that the 1998 MPR General Assembly will have very many factors with unlimited variables that must be considered. "Just the question of who is to be a candidate is difficult in itself. Will the candidate be from ABRI [Indonesian Armed Forces]? If so, who will it be, the PANGAB [Armed Forces Commander] or someone else, active ABRI or retired? This emerges as a possibility, and if we neglect it there could be a conflict.

Mature Society

As for society's readiness to uphold democratic life, Gus Dur stressed that the people are prepared and mature enough to accept democracy. "For example, the people accept the reality that there are still shortcomings in general elections and that there are still things that are not right. They accept the results of elections and see them as a phase in making progress. This is a kind of maturity. This is one phase in the direction of democracy," Gus Dur explained.

He said that no political process is 100 percent successful or 100 percent unsuccessful. That is also true of what has happened in the Indonesian political system.

Indonesia: PPP Notes Election Irregularities

96SE0074A Jakarta KOMPAS in Indonesian 26 Apr 96

[Received via internet]

[FBIS Translated Text] The United Development Party (PPP) issued a strong protest against signs of irregularities in the way that the 1997 general elections are being organized. They consider that the tendency of some parties to hold political censuses, to register voters prematurely, to "yellowize" [yellow is the symbol of GOLKAR, the Functional Groups] every area, to make an exhibit of defections from sociopolitical organizations, and to misuse their powers to damage other sociopolitical organizations, are actions which are in conflict with political morals and ethics.

"We will deliver an official protest to Minister of Home Affairs Moh Yogie SM, the Chairman of the General Election Institute (LPU). We want those irregularities stopped immediately!" said Ismail Hasan Metareum, general chairman of the DPP [Central Executive Committee] of the PPP, flanked by Tosari Widjaya, DPP secretary general, and by the chairmen of the Regional Executive Committees (DPW) of the PPP throughout Indonesia when they reported on the results of their executive meetings in Jakarta yesterday (April 25). The ranks of the DPP of the PPP and the DPWs throughout Indonesia then met with the Minister of Home Affairs and Chairman of the LPU to convey to him the results of their executive meetings, which include protests against those irregularities.

In their statement, the PPP said that they feel a deep concern after careful examination of political behavior in advance of the 1997 general elections which are in conflict with political morals and ethics. "The PPP expresses its strong protest about those irregularities and urges all parties to return to the spirit of the mandate of the GBHN [Broad Outlines of the Nation's Direction]," was the PPP's statement read out by Tosari.

The PPP urged all Indonesian citizens to be actively registered as voters by PANTARLIH [Voters' Registration Committee] officials. If citizens are not registered on the Temporary Voter List (DPS), they should make every effort to register. PANTARLIH officials were also reminded to perform their duties and responsibilities ethically. "They must register every Indonesian citizen who is eligible to vote, wherever they are, without taking into consideration which OPP [General Election Participating Organization] they come from, in accordance with applicable regulations," said the PPP.

The PPP also urged all citizens to use their right to oversee the various activities being carried out in preparation for the 1997 general elections. Members of the PPP must channel their use of those rights into the structure set up by the PPP. The PPP will take in all results of community oversight for further action in accordance with applicable regulations.

Political Censuses

At this news conference the general chairman of the DPP of the PPP provided evidence of violations toward the 1997 general elections, from political census forms to premature voter registrations by "PANTARLIH". For example, residents of Runggu, Belo County, Bima Regency, in NTB [West Nusa Tenggara], were required to register as voters by people claiming to be members of an official PANTARLIH.

"The residents were registered on Model A voter cards, while residents of Tegal, Central Java, were ordered to fill out biographical data and their choice of sociopolitical organization for the upcoming election. In Kerinci County, Jambi, teachers and pupils had to fill out a political census," Buya continued.

He added that the PPP will continue to adhere to a democratic and constitutional path. And the PPP is not talking about the previous election but about the upcoming election. "We believe, God willing, that this time the PANWASLAK [Executive Oversight Committee] will take definite action. This time we warn them that violations should not continue to take place," said the general chairman of the DPP of the PPP.

Buya Ismail said that to take action against irregularities before and during the general elections, the DPP of the PPP will continue to meet with the DPWs of the PPP throughout Indonesia. In addition to sending an official protest to the chairman of the LPU, the PPP will also act internally and persuasively. "We can try to persuade the PANWASLAK to perform its functions immediately, considering that various irregularities have already taken place," said Buya in response to questions from reporters as to whether or not the PANWASLAK should perform its duties immediately.

It was also said that the DPP of the PPP had instructed its DPWs to oversee the stages of the general election closely. The reporters also asked whether the PPP would cooperate in community oversight of the general elections and would accept input from the Independent Committee of General Election Observers (KI PP). Buya answered, "Oversight is the right of our citizens. God willing, we will accept all complaints and input from anywhere. We are a formal organization and we will convey those complaints to the institutes or official agencies connected with the general elections."

Indonesian Electronics Industry To Get Government Help

96SE0067C Jakarta BISNIS INDONESIA in Indonesian 8 Apr 96 p 1

[FBIS Translated Text] Jakarta (BISNIS)—The Department of Industry and Trade is seeking to provide facilities for electronics component plants to spur the growth of the national electronics industry.

Ardiyansah, director of electronics industries in the Department of Industry and Trade, feels that import duties on raw materials for electronics components are too high. To resolve this problem, his department is seeking to give special treatment to imports of raw materials for electronics components made in electronics component industry complexes (LIKE's).

He acknowledged that the pattern and structure of most import duties on raw materials do not support development of the electronics component industry.

"The component industry needs raw materials. Most tariffs on raw materials, however, are higher than on components themselves. If a reduction of tariffs is expedited, it will be a burden to upstream industries nationally," he said here this week.

As an example, Ardiyansah said that there is no import duty on picture tubes, while raw materials such as glass and plates are subject to a 15-percent duty, despite the fact that glass and the special plates for picture tubes are not yet produced domestically.

The problem, however, is the fear that an expedited reduction in tariffs will burden upstream industries overall, because the needs of the component industry are very specific and for small quantities. The splitting up of tariff category numbers would be difficult, because it would not be consistent with the principle of simplifying the Indonesian Import Duty Code (BTBMI).

To resolve this problem, he continued, the government is encouraging the establishment of LIKE's. For electronics component plants in these LIKE's, the government proposes special treatment for raw materials, because oversight by Customs would be easier.

100-Hectare LIKE

Ardiyansah said that construction of a 100-hectare LIKE at Karawang is being discussed. The complex will accommodate electronics component plants in order to restrain imports, which reached $1.6 billion in 1995.

"If many plants are interested in joining LIKE's, the establishment of other LIKE's could be encouraged. In this way, domestic capability for supplying components could be increased, while simultaneously restraining imports," he said.

Ardiyansah said that about 50 Japanese component manufacturers will soon visit Indonesia to survey investment opportunities. It is hoped that these 50 companies will be attracted to relocate their factories in Indonesia.

Besides special customs treatment, it is also proposed that LIKE's provide under-one-roof service for investors, since component plants are generally small and not accustomed to complicated bureaucracy.

Ardiyansah added that in connection with AFTA [ASEAN Free Trade Area], the Indonesian Government has no choice but to improve service and the investment climate for multinational companies.

According to data from the Capital Investment Coordination Board (BKPM), during the first two years of REPELITA [Five-Year Development Plan] VI, approval was given for PMA [foreign capital investment] worth $1.295 billion in the electronics sector. That exceeded the approved investment of $936.7 million for all of REPELITA V.

The value of imported electronics components (not including those that entered via Batam Island) rose from $1.52 billion in 1994-95 to about $1.6 billion in 1995-96.

Meanwhile, exports rose from $2.11 billion in 1994-95 to $2.73 billion in 1995-96. The government has set a target of $6 billion for electronics exports by the end of REPELITA VI.

Laos

Laos: Thai Envoy Urges Prospective Investors To Study Lao Law

BK0305140296 Bangkok PHUCHATKAN in Thai 3 May 96 p 3

[Unattributed report]

[FBIS Translated Text] Vientiane — The Thai ambassador to Laos has urged prospective Thai investors to study pertinent Lao law carefully. Thai ambassador to Laos Somphan Kokilanon said most Thai investors in Laos got into trouble because their contracts with Lao counterparts were vague and did not have acknowledgement of the Lao Government. Vague contracts on amount of investment, land lease, and partnership put Thai investors at great disadvantage.

Most Thai investors in small industrial projects placed trust in Lao counterparts and therefore did not have formal contracts. They also sometimes used names of Lao individuals in the contracts. When disputes arise Thai investors lacked credible evidence. Moreover, the Lao court encourages compromise between disputing parties and will avoid making a ruling if the disputing parties can reach a compromise.

Therefore, Thai investors should study details of their contracts carefully and must register the establishment of their companies with the Lao Government. The Lao Government will support investment that yields enduring benefits.

Statistics show that Thai investment in Laos during 1988-95 totaled 228 projects worth $2 billion. Most were industrial and handicraft projects worth $54.24 million. Investments in three energy projects were valued at $1,294 million. There were 16 Thai investment projects in the first quarter of this year.

The volume of Thai-Lao trade in 1995 was 10,547.3 million baht, compared to 9,064.3 million baht in 1994. Thai exports accounted for 8,813.3 million baht, while Lao exports totaled 1,728.9 million baht. Thai exports included motorcycles and spare parts, textiles, electrical appliances, steel and iron products, and automobiles.

According to Somphan, the Thai prime minister is to make an official visit to Laos in June. Topics of discussion during his visit include investment promotion, more privileges for Thai investors after Laos becomes an ASEAN member in 1997, Thailand's central bank proposal to set up a fund for development in Indochinese countries, double taxation, and recognition of Thai driver licenses used by visiting Thai tourists.

Thailand

Thai Ministry Releases Statement on U.S. Foreign Labor Policy

BK0805054996 Bangkok THAILAND TIMES in English 8 May 96 p A2

[Unattributed report]

[FBIS Transcribed Text] Bangkok — Washington has no policy allowing foreign labor to work in America, said a statement released by the Foreign Ministry yesterday.

The ministry statement cited Thai Consul-General for Los Angeles Suphot Thirakhaosan who said that the problem of illegal workers is a major social dilemma in the United States.

The envoy said the U.S. is taking strict legal action against people who immigrated illegally to the U.S. and worked without permits.

"According to the U.S. government, only people who live permanently in the states or have obtained a green card can be employed properly," Suphot said.

Suphot also said that most of Thai workers in the U.S. especially in California are illegal.

He said the group of illegal workers entered the U.S. as tourists and found jobs in factories and sweatshops. Moreover, some of them carry counterfeit passports, he added.

Suphot said majority of the Thai workers are unskilled, and thus were forced to take on jobs in factories at salaries lower than the standard wage set by American labor law.

Suphot cited Washington as saying that illegal workers steal jobs from Americans, and bring other social problems to the country.

He said that Washington has vowed to use tough action to wipe out all illegal foreign workers from its labor market.

Thailand: Mines Reportedly Planted by Cambodian Soldiers Defused

BK0705130496 Bangkok BAN MUANG in Thai 7 May 96 p 13

[FBIS Translated Text] Farmers in Khok Sabaeng village, Tambon Thakham, Aranyaprathet District, Sa Kaeo Province reported to soldiers manning a check point near their village that on 0830 on 6 May they saw over 20 Cambodian Government soldiers planting mines in Thai territory about 200-300 meters from the Cambodian border. When informed of the incident, a patrol and mine-searching unit of the Burapha Force took its mine-sniffing dogs went in search of the mines. They found many mines buried in the rice field about two meters apart stretching some two kilometers.

Helicopters were called in to provide protection for the work of the mine defusing team. It took some 5 hours to defuse 29 mines of various types.

Thai Army Seizes War Arms on Tak Border, Detains 85 Burmese

BK0705045896 Bangkok BANGKOK POST in English 7 May 96 p 6

[Unattributed report]

[FBIS Transcribed Text] Tak — The Third Army, in its second day of an operation against foreign and local armed groups conducting criminal activities along the border with Burma, yesterday recovered a number of war weapons and rounded up 85 illegal Burmese immigrants.

The operation is being conducted by Naresuan Task Force's special operation unit led by Col [Colonel] Narit Siphet along with a combined task force of soldiers from the 4th Infantry Regiment, Border Patrol Police and rangers.

From 4 a.m. yesterday, the operational forces examined two refugee camps — Mae La and Sho Klo — and nearby villages in Tak's Tha Song Yang District.

Altogether nine M16 and AK47 rifles, a carbine, 362 rounds of assorted ammunition, six sets of landmines, 17 communication radios and 1,300 grammes of marijuana were recovered from the two camps and Thong Thara and Leopard furniture factories at Ban Kaela Buecho and Ban Mae Pho on the Mae Sot-Mae Sariang road.

The authorities rounded up a Burmese of Karen origin, Kyaw Lae, 34, with a carbine in his possession and 84 others who entered the country illegally and were residing near the two factories.

According to Col Narit, the operation which began on May 1 involved searches of refugee camps and border villages for illicit items and illegal immigrants as well as foreign and local armed bandits committing crimes along the border.

Thailand: Effect of EU Delay on Export Concessions Viewed

BK0605042296 Bangkok THE NATION in English 6 May 96 p B1

[Unattributed report]

[FBIS Transcribed Text] A six-month delay in the European Commission's decision on whether to reduce tax concessions for Thai exports is unlikely to benefit Thai farm products as the prospects remain negative, Thai officials said.

A Foreign Trade Department source said the European Union recently told the Thai Embassy in Brussels that it will delay its consideration to cut generalized system of preferences (GSP) tax concessions on Thai farm goods from the original schedule of July until January 1997.

The European Commission said it decided to delay the consideration because some EU members have not agreed on the target date for the new GSP programme.

Nonetheless, the source warned Thai exporters not to expect too much from the schedule change. She said that whatever the outcome, the EU is likely to offer recipient countries less benefits under the new GSP scheme for both farm and industrial goods.

In the first six months of last year, Thailand exported U.S. $2.57 billion worth of goods to the EU under the GSP tax concession programme compared to total exports amounting to $3.96 billion, a 24.42 per cent rise over the same period a year before.

Thailand exported $560.53 million worth of products to Germany, $475.94 million to the United Kingdom, $427.16 million to The Netherlands, $361.95 million to France and $251.53 million worth of goods to Italy under the GSP programme.

Farm goods accounted for one-sixth of total GSP exports to the EU. Frozen shrimp, preserved shrimp and preserved pineapple are among the top 10 Thai exports which enjoy GSP benefits in the EU.

The source said that Germany and Italy urged the European Commission not to revoke tax concessions on Thai exports into the EU, but the remainder of the EU members are opposed to the idea.

Nonetheless, the source indicated that GSP tax concessions will not be the key factor for the competitiveness of Thai exports since importing countries have increasingly adopted most favoured nation rates. Therefore, quality will be the main consideration to remain competitive internationally.

Thai Rice Exporters Oppose State Role in EU Deal

BK0805045696 Bangkok BANGKOK POST in English 8 May 96 p 19

[Report by Somphon Thapphanachai]

[FBIS Transcribed Text] The Rice Exporters Association opposes a Government plan to let the state-owned Public Warehouse Organisation [PWO] export rice duty-free to the European Union.

Association president Woraphong Phitchaphongsa said the Government should allocate the duty-free quota to all exporters. The PWO should be treated the same as any other exporter, he said.

Thailand has obtained an additional annual quota of 21,455 tonnes of white rice — long-grain and fragrant — to export to the EU free of duty. The regular duty is the equivalent of 20,000 baht a tonne. It also has a quota of 1,793 tonnes of brown rice at one-third of the regular duty of rate is 8,500 baht a tonne.

The quotas were granted to compensate Thailand for benefits it lost when Austria, Finland and Sweden joined the EU.

Pracha Charutrakunchai, director-general of the Foreign Trade Department, said the Government planned to grant 50 percent of the total quota to exporters based on their past performance. Twenty percent would go to new exporters and 30 percent to the PWO. The government will review the proportion of quotas every three months.

Granting quotas to the PWO is consistent with Commerce Ministry policy to increase the agency's international trading activities, he said.

Mr Pracha acknowledged the opposition of exporters but insisted that the PWO's role must be expanded.

He said the PWO must live up to the same conditions as other exporters that will receive quotas. Exporters are allowed one tonne of quota for every four tonnes they export under normal rates.

Thailand and the EU have agreed that both sides will monitor rice quotas. Thailand will license Thai exporters, while European importers must obtain licences from their individual governments.

Quotas will be allocated in four stages, with 50 percent to be allocated from June 1-5. The remainder will allocated in the first weeks of July, August and September.

Under EU rules, any quota left over after September 5 will be granted to other rice-exporting countries.

Mr Pracha said that Thailand may benefit from this condition after September 5 because the United States may not able to utilise its quota this year.

In a related development Mr Pracha said Thailand could expect to export at least 130,000 tonnes of rice or 25.5 percent of a total of 510,000 tonnes of quotas that Japan will grant this year.

Thai Official Views World Bank's Offer To Advise on Restructure

BK0705154496 Bangkok MATICHON in Thai 7 May 96 p 8

[FBIS Translated Text] Chatumongkhon Sonakun, permanent secretary of the Finance Ministry, has noted the World Bank's offer to give advice on restructuring the ministry. The offer involves establishing an advisory team of former finance ministers from various countries. He said the issue needs further consideration because the Finance Ministry already has a restructuring team, consisting of a new generation of officials who have some 20 years of government service left before retirement. The ministry restructuring plan is a program that stretches between 10-20 years.

Chatumongkhon said: "The World Bank has merely offered to advise, it is not a proposal that the ministry is required to implement. The World Bank feels that its advice on privitization of Thai state enterprises worked well and that Thailand has the best assessment system, so it wants to advise on restructuring as well. The fact is we do not want others to give advice or orders because the work of the Thai Finance Ministry is different from anywhere else. That is why it is best for Thailand to do it by itself. We already have a committee to supervise restructuring that consists of officials who still have a lot of service time remaining. We we do not know if the restructuring will be completed in 10 years."

Chatumongkhon said it takes years to gather data and work on various restructuring hypotheses. All of the Finance Ministry's work must be studied to identify the weakness, job and personnel overlap, and jobs that currently have no one working on them. It is very technical, but the outcome of the study must be practicable. The goal of the restructuring is to better serve the people, make them happy with the bureaucratic system, and contribute to Thailand being a world economic leader.

Thailand: Canadian Official Holds Consultations on Nuclear Issues

BK0705122596 Bangkok MATICHON in Thai 4 May 96 p 32

[FBIS Translated Text] According to Deputy Prime Minister Samak Suntharawet, who is in charge of the Science, Technology and Energy Ministry, the Canadian prime minister's special adviser on international trade affairs called on him and Deputy Prime Minister Montri Phongphaibun recently to discuss preparations for a 10- megawatt nuclear reactor for a peace project. Previously, the Vienna convention regulations on responsibility for personnel safety were cited against operating a nuclear reactor. The Canadian visitor, whose country is a signatory of the convention, said Canadian reactors are safe and use the best technology. Samak said he agreed since he had personally observed nuclear power plants in Canada.

Samak said: "I asked the senior Canadian visitor to inform his prime minister that we would check whether the project in question is subject to convention regulations."

Montri, who is in charge of the Electricity Generating Authority of Thailand [EGAT], said Canada asked for cooperation for its request to set up a nuclear research center. Canada is very efficient in checking nuclear-related problems. Canada wants to work with EGAT. He told the visitor that he was pleased that Canada was interested in Thailand's project. He informed the visitor that he merely supervised the EGAT but had no decisionmaking power.

Thailand has a nuclear power project which uses a small atomic reactor and supports research work. It is located at the Office of Nuclear Energy for Peace in Ongkharak District, Pathum Thani Province. The EGAT also plans to establish new power plants using nuclear technology.

Thailand: Former Lao Rightist 'Surveillance' Target

BK0805100096 Bangkok KRUNGTHEP THURAKIT in Thai 8 May 96 p 31

[FBIS Translated Text] According to a national security source, Thai national security units are maintaining surveillance on Norasing Suwanwong, a former Lao rightist who have entered Thailand and who is suspected to be carrrying out subversive activities against the Lao Government. Norasing could not be arrested at this time because he has not violated Thai laws. He emigrated to the United States and is currently a U.S. citizen.

The source said Thailand's policy is not to support any country or group using Thailand as a base to subvert neighboring countries.

Thai Government Reaffirms Policy on Foreign Activists

BK0805044496 Bangkok THE NATION in English 8 May 96 p A6

[Unattributed report]

[FBIS Transcribed Text] Thailand reaffirmed its position yesterday regarding not allowing any people or groups to use its territory as a base for subversive activities against any other country's government.

Deputy Foreign Minister Charat Phuachuai said Thailand had a commitment to not support any foreign group whose activities were considered counterproductive to a foreign government.

Charat was responding to a report that a member of a Laotian resistance group, identified as Nolasing Souvannavong, has entered Thailand with plans to sabotage the government of that country.

A source in the Interior Ministry said that Nolasing was a holder of a U.S. passport and had entered Thailand legally using a visa issued by the Thai Honorary Consul in the United States.

He confirmed Nolasing was now in Thailand and under close watch after a tip-off he was participating in anti-Laotian activities.

"This is not the first time he has been to Thailand. It is very difficult to prevent him from entering because he holds a U.S. passport," the source said.

Thai officials became aware of his repeated travels to Thailand via its honorary consul's report which is comprised of lists of those applying for entry visas.

Thailand has been criticised by Vientiane for allowing members of the Laotian resistance to enter and leave the country, using Thai soil as a base to plan subversive activities against the Laotian government. Laos has often asked for assurances from Bangkok that it will not allow reactionaries to enter its territory.

The same source added that, by law, if any foreigner is considered to be planning to undermine another country, he or she would be deported.

Thai Prime Minister Urged To Act Following No-Confidence Debate

BK0805042096 Bangkok BANGKOK POST in English 8 May 96 p 4

[Editorial: "Banhan Must Prepare to Cut His Losses"]

[FBIS Transcribed Text] The long-awaited no-confidence debate is to kick off today. At least for two days the Thai public, if they care to switch on their television sets or radios will be drowned in a flood of rhetoric from both opposition and government MPs. It is an opportunity for them to get a glimpse of how their elected representatives perform in Parliament and also to judge whether their performance meets their expectations.

For the Opposition, especially the Democrats, the censure debate offers not just an opportunity for them to "grill" their targeted ministers, but also to recoup their reputation as an effective check-and-balance mechanism. Weeks ahead of today's confrontation, small teams of party officials were sent out to look for incriminating information which, they believe, would cast their targeted ministers in a negative light.

Of the ten ministers to be grilled by the Opposition, Banhan Sinlapa-acha, in his capacity as the interior minister, is high on the censure list for his alleged ethical improprieties. The Opposition claims to have evidence suggesting that Mr Banhan falsified his Chinese father's nationality. They intend to challenge his parliamentary status. In addition to this fresh controversy, Mr Banhan has yet to clarify the issue of his Master's degree thesis which was alleged to be a work of plagiarism.

In previous censure debates, what promised to be an interesting and thought-provoking session soon became dull and boring as the debate dragged on for far too long or because some speakers spent too much time on rhetoric rather than hard facts. Or because some speakers were simply not good enough to make presentations in a way which would attract listeners. Again this time, there is a likelihood that all this could be repeated unless the Opposition sticks to issues of conduct and performance of their targeted ministers and fields good orators who would present well- substantiated facts rather than hearsay or rumour.

No matter how good the Opposition is able to perform during the debate, the chance that the Government will be brought down remains as remote as ever. It is also unlikely that any of the targeted ministers will be voted out by the Opposition as the coalition parties will try to convince their MPs to vote in support of the individual ministers under attack as a demonstration of coalition solidarity. Not even the Phalang Tham Party which has always proclaimed itself to be a party which adheres strictly to ethical principles is expected to vote against the ministers.

What the Opposition expects out of this political exercise is that it will be a catalyst for change. And this is also what the public wants and would like to see Prime Minister Banhan act accordingly. If the prime minister has been unable to effect changes in the past for fear of provoking internal antagonism which could jeopardise his administration, this time around the debate should give him enough justification to remove the ministers who fail to clear themselves of the charges made by the Opposition.

Suffice to say that, after eight months in office, the public has had enough of the performance or conduct of some of his ministers and is desperate for changes. Unless the prime minister is totally insensitive or has his head buried in the sand, he must be aware of what has been happening around him.

Mr Banhan can expect resistance or dissatisfaction from the ministers concerned as well as from their supporters — which is quite normal. But if he intends to continue in office and, more importantly, restore public confidence in his leadership, he should know what course of action he should take that would best serve his own interest and that of the Kingdom. No viable alternatives exist except to remove the incompetent and unscrupulous ministers who are a liability, both to his administration and to the country.

Thailand: No-Confidence Debate Against 10 Ministers Opens

BK0805160496 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 8 May 96

[FBIS Translated Text] The no-confidence debate against 10 cabinet ministers began at the parliament house at 0945 today. The session was presided by House Speaker Bun-ua Prasoetsuwan.

The session started with Opposition Leader Chuan Likphai giving the reasons for the opposition's no-confidence motion against ministers. He names several of the ministers targeted for the debate. They include Deputy Communications Minister Chaiphak Siriwat who will be grilled on vested interests involving the Laem Chabang deep sea port; Deputy Interior Minister Suchat Tancharoen over land grabbing in Nong Khai Province and inappropriately acquired title deeds for land in Samet Island, Chumphon Province; Finance Minister Surakiat Sathianthai over his failure to solve inflation and current account deficits; Deputy Prime Minister Montri Phongphanit and Agriculture and Cooperatives Minister Suwit Khunkitti over unfair transfers of ministry officials; and finally over the prime minister's master's degree thesis which the opposition leader claims had been plagiarised. After the Chuan's two-hour address, Opposition MP's began their questioning session. Chumphon MP's Sirisak Onlamai, and Suwarot Phalang of the Democrat Party, who spoke for about nearly three hours, explained about the inappropriate issuance of land documents on Samet Island. Opposition MP's claim this to be an abuse of authority in favor of the Tancharoen family.

Akhom Engchuan, another MP of the Democrat Party, from Krabi Province, and several other opposition MP's debated about the land grab in Nong Khai Province, amounting to tens of thousands of rai, again by Deputy Interior Minister Suchat. Suchat was also grilled for obtaining huge loans from the Bangkok Bank of Commerce by using the land title deeds as collateral. The price offered for his land was several times higher than its real value.

Another leading member of the Democrat Party, Suthep Thuaksuban, then took the floor and mounted a heated debate on the risks the Bangkok Bank of Commerce took in providing loans to the Group of 16 [an informal group of young politicians, with Minister Suchat Tancharoen as leader]. At this point, Prime Minister's Office Minister Piyanat Watcharaphon proposed a closed door meeting for fear that the debate could affect the operations of financial institutions and because the bank in question does not have the chance to give an explanation. The proposal drew strong protests from opposition members. However, it was supported by the majority, and a closed-door meeting was held for about half an hour.

Suthep Thuaksuban is still talking about the Bangkok Bank of Commerce loans to the Group of 16. At about 1900, Deputy Finance Minister Newin Chitchop asked for the session chairman for permission to explain about the bank's loans. Minister Suchat Tancharoen so far has not had an opportunity to speak.

Thailand: Academic Views Measures To Tackle Account Deficit

BK0705125496 Bangkok DAILY NEWS in Thai 4 May 96 p 9

[FBIS Translated Excerpt] Chalongphop Susangkonkan, director of the Thai Development Research Institute, spoke at the seminar "How To Survive if the Current Account Deficit and Inflation Problems Persist." He said the measures and direction set by the Bank of Thailand and the Finance Ministry to solve these problems are aimed at tackling immediate short-term problems. He said the set direction does not correspond with the real situation because the current account deficit problem is basically caused by overconsumption by the people. The current world of instant communications has made it easier for people to buy things to make their lives more convenient.

In any event, the policy that the Bank of Thailand formulated a year ago only tackles the problems of an immediate and short-term nature. It does not look into what measures are needed in the long-term to solve the problem. Economic stability is very important in the long-term, and the government should give it greater importance. This includes accelerating establishment of the bond market, liberalizing the market dealing with foreign exchange rates, and even introducing concrete measures to encourage public savings. [passage omitted]

Thai House Urged To Debate Inflation, Current Account Deficit

BK0805042196 Bangkok THE NATION in English 8 May 96 p B1, B2

[Comment by the Financial Desk: "Policy Failure the Real Issue to Be Debated"]

[FBIS Transcribed Text] The days prior to the first no-confidence debate in the Banhan administration have made it sadly deal that the government's policy, or rather lack of policy, has been completely overlooked as the main issue at hand.

Amid the barrage of press reports, TV commentaries and radio news talk sessions, what one has been able to see hear and feel over the past two weeks is that mud-slinging will be the most prominent feature of this debate.

The Opposition is going to line up each minister one by one and punch them hard as it can. Members of the Banhan Cabinet are thus busy preparing their defences right up until the very last minute.

But does anyone out there understand the really important issues?

The point is that the no-confidence debate should not be viewed in the same manner as a boxing or bull-fighting ring. It is the place where opposition members of parliament should raise questions over the government's effectiveness and where the latter is supposed to clarify the situation if any doubts persist.

The Banhan government has not come up with any clear-cut policies to deal with the country's two most pressing problems — the inflation and the current account deficit situations — since it came into office last July.

These are the matters that should be most carefully scrutinised during the debate.

Inflation, reflected via the Consumer Price Index, has risen to more than 7 per cent on a monthly basis since Dec 1995. Only last month did it drop to 6.7 per cent.

The current account deficit rose to 8.1 per cent of gross domestic product last year due largely to machinery imports, the declining service balance surplus and one-off weapons imports.

Just how bad could the situation become if Thailand cannot effectively manage its current account deficit? The Malaysian government, which announced it would spend U.S. $65 billion (Bt1.625 trillion) on its economy which is already growing at more than 8 per cent per annum, has driven away investors due to fears of inflation, and Thailand is likely to face a very similar scenario.

As Banhan seems to run his government on a day-by-day basis, it is now the Bank of Thailand which has stolen the show by injecting restrictive monetary policies to manage the country's current account deficit and inflation problems. The central bank's policies have effectively slowed down the economy, but a certain cost will have to be shouldered as a result.

The 7 per cent reserve requirement for short-term loans, aimed at slowing short-term capital inflows, has begun to have an effect. Yesterday, swap premiums rose by Bt0.06-Bt0.36 per dollar. The high interest rate policy, targeted at curbing local lending, has hit the property, finance and banking sectors and stock market hard but has attracted more foreign capital into the country, thus causing the current account deficit to widen.

Today's no-confidence debate is unlikely to leave the Banhan administration with anything more than a few scratches. As a research source from a foreign brokerage house who has spent four years in Thailand said: "If any change does come about, Banhan may use the opportunity to strengthen his cabinet. Ministers under question, primarily Finance Minister Dr Surakiat Sathianthai and his deputy Newin Chidchop, may wonder whether they will receive 100 per cent support."

Still, whether or not there is a Banhan II or Banhan III government in the near future, if the government continues to lack any kind of clear-cut economic policies on how to tackle the deficit and inflation effectively, it will not be good for the economy.

Instead of becoming a mud-slinging session, the no-confidence debate should try and bring it out in the open whether the Banhan government has the right economic tools available to solve the country's two most urgent problems inflation and the current account deficit. If anyone is to leave after this debate, it should be Banhan. As premier, the same source said, he should be able to prove himself not only as a skillful politician with the ability to survive, but also as a good policy maker, administrator and manager.

Thai Defense Minister Issues Challenge Over Satellite Plan

BK0705045396 Bangkok BANGKOK POST in English 7 May 96 p 7

[Unattributed report]

[FBIS Transcribed Text] Defence Minister Gen Chawalit Yongchaiyut said yesterday he is ready to shelve the military satellite project provided the Government supports the Navy's submarines proposal and the Air Force's plan to buy a second batch of F/A-18 fighters.

The minister said he had thrown down the gauntlet and was hoping for someone daring enough to accept the challenge.

The New Aspiration Party leader said the Navy was hurt by the Government's shelving of its proposal to procure two attack submarines priced at 17 billion baht.

The Air Force was also upset to hear the Government planned to shelve its proposal to buy eight more F/A-18 Hornet jet fighters. Gen Chawalit said he doubted any air force in the world would buy only half a squadron of jet fighters.

The Budget Bureau, citing budget constraints, recently informed the Air Force of its decision to suspend the Hornet acquisition plan.

He said the Navy had tried to compromise by agreeing to buy one submarine only.

The Navy should be allowed to spend its own money to develop its strength without outside interference, he said.

"How could others know better than the owner on how to spend the money?.

"It is like we get 100 baht (from the Government to modernise the armed forces) and are told to clarify what we plan to spend it on," he said.

Thai Navy's Submarine Purchase Plans Revised

BK0805041896 Bangkok BANGKOK POST in English 8 May 96 p 6

[Unattributed report]

[FBIS Transcribed Text] The Navy will ask to buy one submarine at a time after its plan to procure two simultaneously over a seven-year period was torpedoed by the Budget Bureau.

Navy chief Prachet Siridet said yesterday the Navy would ask the Government to allow it to buy the first submarine with a five-year tied-over fund of 7.5 billion baht.

The second submarine, Adm [Admiral] Prachet said, would have to be built one or two years after the first phase began so the Government could set aside another tied-over budget for it.

He said the two submarines must be from the same company to prevent operational training and spare parts problems.

Adm Prachet said he wanted to meet Prime Minister Banhan Sinlapa- acha to explain the importance of the submarine procurement project.

The Budget Bureau recently shelved the 17-billion-baht procurement plan, citing budget constraints.

Adm Prachet said he understood the Navy had to follow government policy, but added he should be able to ask the Prime Minister to review any decision which could have negative effects on national interests.

Supreme Commander Wirot Saengsanit said he would discuss the Navy's proposal to buy just one submarine first with Mr Banhan at Adm Prachet's request.

But Gen Wirot said he could not predict the outcome.

He said military leaders should understand that the suspension of the submarine procurement plan was ordered by the Budget Bureau, not the Prime Minister or the Government.

Gen Wirot said the delay should not affect relations between the military and the Government.

The Budget Bureau, he said, would soon explain to the three armed forces chiefs why their weapons procurement plans had to be postponed.

Gen Wirot said the Prime Minister might hold further talks with the military leaders on this issue.

Navy chief-of-staff Winai Intharasombat complained the Budget Bureau had never given any reason for shelving the submarine project even after the Navy had adjusted its plan to buy only one submarine with a five-year tied-over fund.

"The Budget Bureau just kept silent and then gave us a 'no' without any reason."

Navy deputy chief Winyan Santiwisat said the rejection would affect the Navy's development plans.

Adm Winyan said arms purchase plans should not be blamed as the sole cause of the country's current-account deficit.

He said every naval officer was "saddened" by the decision to shelve the submarine project.

"We are worried what we could do if war breaks out," Adm Winyan said.

The price of the first batch of eight F-18 jet fighters will go up 5-10 per cent if the Government fails to come to a decision soon, a highly-placed Air Force source said.

The source says Air Force Chief ACM [Air Chief Marshal] Siriphong Thongyai is worried about the price of the eight F/A-18 multi-role jet fighters with advanced medium range air-to-air missiles (AMRAAM), since the government-to-government countertrade deal will take time.

The Air Force plans to acquire a squadron of 16 F-18s to be purchased in two batches of eight each. But the Government has recently instructed it to suspend acquisition of the second batch, citing budgetary constraints.

The United States, which is to supply the aircraft, has offered to sell the first batch of the eight F18s at 10,000 million baht until May 1 this year.

But the Air Force twice asked the U.S. to retain the quotation price until July because of government-level delays, said the source.

After the deadline, the price will rise 5-10 per cent.

So far the issue on the acquisition plan has not yet been tabled for Cabinet consideration.

Meanwhile, ACM Siriphong said the U.S. has sent its purchase contract to the Thai Government for signing.

He said the price of the jet fighters will go up if the Government fails to meet the deadline.

Vietnam

SRV Radio Claims U.S. Relations 'Developing Positively'

BK0605162196 Hanoi Voice of Vietnam in English 1000 GMT 6 May 96

[Station commentary]

[FBIS Transcribed Text] Princeton University held a seminar on East Asia in Hong Kong last week. American Charge d'Affairs in Vietnam, Desaix Anderson, outlined to the seminar his judgment's about Vietnam. He said that the United States of America recognized Vietnam as part of the contemporary Asia, not as an isolated country. The United States of America was now in Vietnam to support Vietnam's commitment to reform and renovation with its own direction.

He affirmed that the U.S. wanted to normalize relations with Vietnam to be the same as American relations with Vietnam's counterparts in ASEAN. This was long-term objective of the United States. He also said that in coming months, the United States and Vietnam will sign the trade agreement, which would open Vietnam's market for American businessmen and investors. The trade agreement would also grant the most-favored-nation status to Vietnam.

Relations between Vietnam and the United States of America are developing positively. In recent months, a number of delegations from the U.S. Government as well as representatives from the U.S. companies have come to Vietnam. U.S. investment reached $1,120 million. Representative offices of American companies in Vietnam last year were 150 and the number is double this year.

Trade exchange between the two countries has been increasing. American export to Vietnam has increased by 56 percent over the last twelve months. It is clear that the initial achievement reflects the new U.S. policy toward Vietnam; however, this is not the final target of the normalization of the relations between the two countries. Both Vietnamese and American people hope that diplomatic, economic, and cultural relations will be developed tremendously in the interest of both sides.

American Charge d'Affairs in Vietnam Desaix Anderson told the seminar on East Asia that sustainable relations with Vietnam would strengthen U.S. strategic relations with ASEAN, a dynamic and influential organization in the region.

SRV Deputy Foreign Minister on Cooperation With Thailand

BK0705085196 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 6 May 96

[Interview with SRV Deputy Foreign Minister Vu Khoan by an unidentified correspondent; place and date not given—recorded]

[FBIS Translated Text] [Correspondent] Dear Deputy Minister, could you please outline the salient points of the meeting of the Vietnam-Thailand joint economic cooperation committee that you attended recently?

[Vu Khoan] The recent meeting was the third meeting of the Vietnam-Thailand Joint Committee for Economic, Scientific, and Technological Cooperation. Reviewing its activities over the past two years, the committee was satisfied with the development of economic cooperation between the two countries.

First, in terms of trade cooperation, we agreed at the previous meeting that bilateral trade exchange would be doubled. In reality, it has tripled. Trade turnover between the two countries in 1995 was nearly $600 million. At this meeting, we considered the rate of growth satisfactory, but Vietnam's import-export imbalance was still significant. The amount of Vietnam's imports was large, while the amount of its exports was much smaller. Therefore, we had to discuss measures to increase Vietnam's exports.

I also raised the need for cooperation in suppressing illegal trading, as this practice hurts both sides. The two sides have agreed to find ways to double trade turnover to about $1 billion by 1997. That is a quite feasible target.

Second, in terms of investment, Thailand has begun to develop large-scale projects. They are currently paying careful attention to the construction of an industrial zone in Dong Nai and the Binh Phu industrial zone. They are cooperating with Belgium and the United States in Haiphong in the largest Thai project in Vietnam, which will raise Thailand's investment profile in Vietnam.

Third, in scientific and technological cooperation, Thailand gave us aid worth 150 million baht, or about $6 million. This amount of aid is mainly for public health, education, the elimination of hunger, and poverty projects.

The fourth area, which took a lot of discussion time, is communications and transportation. As you probably know, there are currently many projects related to the Mekong River subregions, which consist of Vietnam, Laos, Cambodia, Thailand, Burma, and South China. These projects receive a great deal of attention from ADB [Asia Development Bank], Japan, ASEAN, ASEM [Asia-Europe Meeting] summit, and so forth. The two sides agreed to cooperate with Laos to build East-West road links starting from Thailand, through Laos to Vietnam, beginning with Route No. 9 leading to Quang Nam-Danang.

Fifth, in terms of cultural activity, we agreed that the two countries will sign an intergovernmental cultural cooperation agreement by August of this year.

[Correspondent] You also attended the meeting of the joint committee to restore order on the sea and on cooperation in fishing between Thailand and Vietnam. Could you please say a few words about the conception of the committee?

[Vu Khoan] As I said before, relations between Vietnam and Thailand developed very rapidly, especially after the establishment of a political solution for Cambodia and after the visit to Thailand in 1991 by our prime minister. In addition to the fine development of relations, some issues still remain between Vietnam and Thailand that are not quite as easy to resolve, including the problem of Thai fishermen repeatedly plying their trade within Vietnam waters. These actions, which are repeated very often, violate both international as well as Vietnamese laws, complicating relations between the two countries and even increasing tension at times.

In order to rectify the situation in the interests of cooperation, the Vietnamese and Thai prime ministers agreed during the Vietnam visit of former Thai Prime Minister Chuan Likphai that order on the Vietnam's southwest sea needed to be restored. The two prime ministers agreed to set up a joint committee responsible for the restoration of order and cooperation in the fishing industry. The committee met for the first time in Phuket, Thailand, in March 1995, and now this was the second meeting of the committee.

[Correspondent] Could you please report on the contents and the results of the meeting?

[Vu Khoan] At the meeting we discussed the situation in which Thai fishing boats were still violating Vietnam's territorial waters. The number of violations in 1995 was declining slightly compared to previous years but still remained at a seriously high level. There were some cases where naval ships were escorting fishing boats, and clashes on the sea have actually occurred. These clashes did not escalate into a major event but complicated the situation. The Vietnamese side stressed the need to maintain stability in the region and asked the Thai friends to stop their fishing boats from violating Vietnamese territorial waters and especially to refrain from using military ships to escort their fishing boats, as this action poses the risk of confrontation.

The Thai friends acknowledged the problem and actually apologized for the incidents in the past. They expressed the wish that there be no similar incidents in the future. The Thai friends informed us at the meeting that they were ready to release all Vietnamese fishermen who are being detained by Thailand and that Vietnam can bring them back at any time. When I was still there, 15 fishermen from southern provinces were brought back, and others will join them later on. Regarding the detained Thai fishermen, we will handle them in accordance with our state regulations.

We also agreed that both sides would have measures to educate fishermen so that they will know where the sea borderlines are, as well as the relevant regulations, so that they will be able to avoid violations.

[Correspondent] Thank you, comrade deputy minister.

SRV: Australian Mining Firm Cuts Financial Ties With Province

BK0805050796 Bangkok ASIA TIMES in English 8 May 96 pp 1, 2

[Report by Lachlan Colquhoun and Andy Solomon]

[FBIS Transcribed Text] The future of a major Australian mining project in Vietnam is now in the hands of the Hanoi government, with Westralian Sands urging it to intervene against its joint venture partner — the provincial government.

Westralian has effectively cut all its financial ties to the ill-fated ilmenite project in Ha Tinh province in which it holds a 60 percent stake, citing irreconcilable differences with the province. Ilmenite, a lustrous black mineral, is an oxide of iron and titanium.

The long-running dispute over the project, one of the first to be negotiated by a Western company in Vietnam, is being closely monitored by other Western companies. Germany's Krupp is about to spend US$5 million on a feasibility study for a US$1.2 billion iron ore project in the province.

Westralian managing director Malcolm Macpherson said he was not prepared to patch up the relationship with Ha Tinh, which had gone from bad to worse over the four years of the project. "We are certainly not going back in under the current circumstances, although we'd be happy if Hanoi took the lead and intervened.

"Given what's happened, it's hard to see our joint our joint venture partners seeing some enlightenment and changing their minds. Now it's up to the central government to step in and say they don't want this sort of thing sending a wrong signal to other foreign companies in Vietnam."

He did not believe that the new Vietnamese mining law, had it been in place, would have offered Westralian any protection in the current dispute.

Successive Vietnamese leaders have visited Australia since Westralian's project ran into trouble and Canberra has repeatedly lobbied on the company's behalf, approaches which have — on the surface — been positively received by Hanoi. However, this has not translated into action.

An official Vietnamese newspaper confirmed on Tuesday that authorities in the northern port city of Hai Phong has imposed an "administrative penalty" or US$2.284 million on Westralian for allegedly attempting to illegally import a shipment of 42 containers of equipment.

The weekly VIETNAM DAN TO NUCE NGUOI said the fine, equivalent to the equipment's value, would be paid into the city's public funds. A legal article allowed Hai Phong to liquidate the shipment in the case of nonpayment, it said. The fine was imposed on April 24 and reports said Westralian had 30 days to pay.

Macpherson, speaking before hearing of the Vietnamese report, said the equipment was for a planned modernization and expansion of the plant that had been stopped as a result of the differences.

The shipment had been sitting on the dock at Hai Phong for nearly a year, coinciding for a time with 50 containers of ilmenite which spent 12 months on the same docks awaiting export.

"We're aware there have been rumors about this fine going back for some time now, but from our standpoint we don't know anything about it. If it's true, it defies any logic," Macpherson said.

The most recent breakdown comes after the Vietnamese partners refused to allow Ernst and Young to carry out an audit following claims the project's funds were being improperly drawn down.

The relationship first ran into serious trouble last year when Westralian staff in Vietnam were placed under house arrest. The move followed the discovery that the Vietnamese were breaching a sole- marketing agreement and selling ilmenite to a Japanese buyer. The project ceased operation but restarted in November after a nine-point agreement was reached in September.

The Vietnam newspaper quoted a senior provincial official as saying Westralian had failed to build two processing factories - a provision of the original investment licence. Westralian earlier this year made a A$2.9 million (US$2.3 million) provision writing down the venture should it fail and last week withdrew its remaining three staff.

The project was operating at only 20 percent of its capacity.

SRV Shoe Workers End 3-Day Strike at Taiwanese-Run Plant

BK0705051696 Hong Kong AFP in English 0508 GMT 7 May 96

[FBIS Transcribed Text] Hanoi May 7 (AFP) — Nearly 900 workers who walked out of a shoe plant in southern Vietnam have returned to work after Taiwanese managers agreed to a pay rise and improved working conditions, officials said Tuesday.

Management agreed to a 10 percent pay rise and a free meal for the workers at the Viet Lap plant in Song Be province outside Ho Chi Minh City, provincial labour department officials said.

The plant, a subsidiary of state firm Thanh Le Corp., is managed by Taiwanese experts and produces footwear for export. Workers had complained of long hours, poor compensation and little time off work.

The strike occurred despite measures introduced last week aimed at curbing a rise in industrial action by requiring workers to seek arbitration of disputes.

Strikes are only allowed after talks have broken down and they are banned at state-owned enterprises. However a Labour Code introduced last year has proved ineffective at curbing walkouts by workers.

According to the Vietnam General Confederation of Labour, the number of strikes nearly doubled last year to 46, up from 28 a year earlier despite the introduction of the Labour Code.

Meanwhile, the head of Ho Chi Minh City's Confederation of Labour office, Hoang Thi Khanh, has said that a South Korean who allegedly beat several Vietnamese workers with a shoe will be sent for trial.

"We're not trying to make things worse but in this case an apology, conciliation or deportation are not enough," Khanh said. "She must go to court."

Accusations that Jang Mi-Baek, a 29-year-old South Korean supervisor, beat 15 Vietnamese workers with a shoe have caused outrage in Vietnam and have been featured prominently in the media.

South Korea's consul in Ho Chi Minh City has urged companies to improve working conditions and to educate supervisors or technicians about Vietnamese working habits before they arrive in the country.

The Vietnamese press frequently features complaints about poor working conditions in foreign-owned factories but similar problems also exist in state firms.

A report issued this month by the Institute of Labour Protection and Safety warned that 60 percent of Vietnamese factories were equipped with obsolete and dangerous equipment.

More than 50 percent of all labourers were working in hazardous conditions, according to the report, which warned that the situation was worsening each year.

SRV: Do Muoi Attends All-Army Party Organization Congress

BK0705020396 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 6 May 96

[Unidentified station correspondent's report on opening of the sixth All-Army Party Organization Congress in Hanoi on 6 May; portions recorded]

[FBIS Translated Text] Dear friends, as reported earlier, the sixth All-Army Party Organization Congress opening was solemnly held in Hanoi this morning. Attending the congress were 350 delegates representing more than 120,000 party members of the Army party organization. The congress had the honor to welcome party General Secretary Do Muoi, chairman of the party Central Committee's Military Commission who attended and directed the congress. Also attending the congress were leading comrades and specialists of the Control Department, the Organization Department, the Ideology and Culture Department, and the Office of the party Central Committee.

General Doan Khue, deputy chairman of the party Central Committee's Military Commission delivered the opening speech. He stressed: In our nation's new situation, this All-Army Party Organization Congress is of special significance. Our congress is dutybound to appraise results in implementing the national defense task over the past five years, further review changes in military and national defense concepts, and determine national defense tasks for the next five years. The congress will also contribute ideas to various documents of the party Central Committee to be presented at the Eighth National Party Congress, a congress of great significance that will decide on important changes for our nation in the new developmental stage — the stage of accelerating industrialization and modernization for the objectives of a prosperous people, a powerful nation, and an equitable and civilized society — so as to prepare the prerequisites for embarking into the 21st century with new height and strength.

Addressing the congress, General Secretary Do Muoi, on behalf of the party Central Committee, conveyed his most cordial greetings and kind regards to all delegates, cadres, and combatants of the heroic Vietnam People's Army. He pointed out: Over the past five years our people have enthusiastically implemented the Seventh National Party Congress' resolution, satisfactorily carried out the two strategic tasks of building and defending the fatherland, and overcome all difficulties and ordeals to continue the renovation undertaking, and have recorded significant achievements, thereby extricating our country from a socioeconomic crisis and strengthening our position and strength to move toward accelerating national industrialization and modernization.

Comrade general secretary analyzed the internal and external situations which are developing in a complicated fashion, and the outside hostile forces' schemes against our revolution. Facing this situation, our people's armed forces have developed the fine tradition of the heroic people's Army and foiled all the enemy's schemes of sabotage, thereby allowing our nation to continue to move forward. Comrade Do Muoi said:

[Begin Do Muoi recording] These great achievements [words indistinct] should be attributed to the significant contributions of the people's armed forces and people's security force. Our People's Army and the people's armed forces have recorded miraculous achievements in the war of liberating and defending the fatherland over the past several decades. You, comrades, are continuing to develop our gallant tradition in the cause of national building and defense at present. You should strive to consistently implement Uncle Ho's teachings: be faithful to the nation and loyal to the people, and strive to fulfill all tasks, overcome all difficulties, and defeat all enemies to be worthy of the noble title of Uncle Ho's soldiers and to gain the confidence and love of our party, state, and people. On behalf of all party members, I warmly commend the People's Army and heroic Vietnamese people's armed forces for their very great achievements. [Applause] [end recording].

To continue to build and help the Army move toward standardization and modernization, comrade general secretary urged our people's armed forces to develop its strong points and overcome weaknesses, together with people throughout the country, to triumphantly implement industrialization and modernization. This is a very important task involving socioeconomic life and national security and defense. The general secretary pointed out four dangers that are blocking our path toward socialism and the responsibility of our Army and the entire party and people in the new situation. National defense is a task for all people and every individual, sector, and echelon. It is necessary to formulate a long-term strategy for the Army to satisfactorily carry out two strategic tasks of building and defending the fatherland. For the All-Army Party Organization Congress to do this, the comrade stressed:

[Begin Do Muoi recording] Recently, you, comrades, have attached importance to building the Army politically, taking the building of the Army party organization as a key task. At this All-Army Party Organization Congress, you, comrades, must carefully analyze weaknesses to design urgent measures to overcome them. To renovate and revamp the party, to enhance the quality and militancy of party committees and chapters, to educate party members to be conscious of the party ideal, to firmly maintain the principled characteristics, to uphold virtue and quality, to foster capability, and to enhance knowledge in all fields to be able to deal with the most complicated circumstances — all these are tasks that the Army party organization must carry out consistently. The people's Army, the people's armed forces, and the people's security force must forever maintain the people's confidence, firmly build the fatherland's invincible strength, ensure the consolidation of national defense and security, create conditions for our people to triumphantly move toward national industrialization and modernization and successfully build socialism. It is necessary to firmly maintain the standard of quality of party members and delegates to the party congress as clearly defined by the party Central Committee's 10th plenum, that is they must qualify both in virtue and capability, with virtue as the base. Particularly, they must have a sense of organization and discipline, and a spirit of solidarity and unity. Anyone who is a political opportunist, who is lacking in political acumen or courage, or who is involved in corruption and so forth will never be chosen for party committees and the party Central Committee. I am confident that this All-Army Party Organization Congress will elect a competent delegation of the Army party organization to appropriately contribute to the success of the Eighth National Party Congress. I wish you, comrades, success in developing your intelligence and in broadening democracy. You should uphold criticism and self-criticism, contribute concrete ideas to supplement and perfect the draft political report of the party Central Committee to be presented to the Eighth National Party Congress and the political report of the party Central Committee's Military Commission. I wish your congress splendid success. [Applause] [end recording].

Dear friends, the sixth All-Army Party Organization Congress will last four days from 6 to 9 May. The congress will review achievements recorded during the renovation years especially in the Army building task, and will approve resolution on military and national defense tasks for the 1996-2000 term to effectively contribute to the cause of national industrialization and modernization of the objectives of a prosperous people, a powerful country, and an equitable and civilized society to firmly advance toward socialism, the path set forth by our party.

SRV: All-Army Party Congress Reportedly Airs Views

BK0805080196 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 7 May 96

[Report by Xuan Ngan]

[FBIS Translated Text] During the first two days of the sixth All-Army Party Organization Congress, the delegates held heated debates and contributed many valuable and profound suggestions of theoretical and practical value to the political report and party- building report to be presented to the eighth national party congress by the seventh party Central Committee.

In airing their views, the delegates unanimously concurred with the contents of the party's documents. They thoroughly analyzed the basic factors contributing to the actual development of the revolution countrywide, assessed the achievements that our country has recorded in the renovation process under the party's leadership, and shed more light on the causes of shortcomings. As a result, the congress contributed many practical suggestions to the party on how to make the country rich and powerful and bring about justice and civilization in society based on socialist orientations.

In evaluating past achievements, apart from concurring with the draft political report, the sixth All-Army Party Organization Congress stressed that it was necessary for the eighth national party congress to clarify the causes of mistakes and work out measures to overcome them at an early date instead of letting them go unchecked. One of these mistakes derives from the fact that the role of the state and cooperative economic sectors has been downplayed whereas due importance has been attached to the private economic sector. This is an indication of disorientation.

Since its coming into existence, our party has clearly defined its goals of achieving national independence and of moving toward socialism. Our party has struggled perseveringly and creatively for more than 66 years to make those goals come true. At the start of the national renovation process, despite the feverish counterrevolutionary schemes designed by hostile forces to abolish our socialist regime and force us to follow the capitalist path, the party has remained steadfast, making continued efforts to build a rich and powerful country, broaden external economic relations, and promote the multisectoral national economy based on socialist orientations.

To this end, necessary steps must be taken to promote the state and cooperative economic sectors to ensure that they are strong enough to serve as the backbone of the national economy. Only by so doing can the state have the potential to regulate the national economy and keep its development within socialist orientations. To downplay the state and cooperative economic sectors will eventually lead to disorientation.

Of course, it is our party's policy to promote the multisectoral economy and encourage the private economic sector. Nonetheless, to attach due importance only to the private economic sector will also lead to disorientation.

The congress showed great unanimity of mind regarding the lessons mentioned in the draft political report. The delegates hoped that the upcoming national party congress would draw on more experiences in exercising guidance. It is necessary to work out a balanced and comprehensive plan for all aspects of development, especially when it comes to linking economic growth with the consolidation of national defense and security through a comprehensive strategy for the entire nation as well as for each sector and each concrete project.

In analyzing the dangers mentioned in the political report, the delegates unanimously maintained that these dangers were correlated and inseparable. They, however, stressed the need to pay due attention to the danger of disorientation because once disorientation occurs, there will be no way to rectify the situation and the country will lose stability.

Delegates to the All-Army party organization congress unanimously supported the party's seven-point concept in implementing national industrialization and modernization. They, however, proposed that in the process of implementing national industrialization and modernization, the party should firmly grasp the concept of national independence and sovereignty. Developing industrialization and modernization should be carried out in parallel with the consolidation of national defense and security while appropriate attention should be paid to industrializing the countryside.

Some delegates proposed that in introducing the shareholding system to various enterprises, it is necessary to continue carrying out more experiments to draw on concrete experiences before applying them on a wider scale. The setting up of general corporations should be carried out firmly step-by-step without haste to ensure precision and avoid mistakes and disorientation that may arise. It is necessary to note that in various border areas, offshore islands, and remote regions, especially the former revolutionary zones, even after several stages, the people's daily life is still very difficult and the gap in living standards between these zones and cities in the delta area is becoming ever wider. Due to this reality, many delegates proposed that the party and state should formulate a strategy for developing the socioeconomic situation, strengthening security and national defense in these areas, improving the infrastructure, and building a contingent of competent cadres. Only by carrying out these tasks successfully will we able to narrow the current wide gap between the mountainous and delta regions and stabilize security in the border areas.

The congress also expressed unanimity on the draft report on the party building task. Many ideas laid emphasis on efforts to enhance the party's working class characteristics, respect the principle of democratic centralism; and strengthen the struggle to overcome erroneous concepts and such phenomena as vagueness, illusion, and opportunism in the party to protect the revolutionary scientific characteristics of Marxism-Leninism and Ho Chi Minh thought.

Various delegates proposed that it is time for the party to clearly point out that the socialist democratic and socialist nationalist tendencies are running counter to Marxism-Leninism and Ho Chi Minh thought.

Concerning the strategy to build human recourses and the contingent of cadres with quality and sufficient capability to struggle for the party's goals, many delegates proposed that the party should carefully examine the policy on education and training. Realities in the past showed that members of the Public Security Force, workers, peasants, and cadres with some educational background and ethical conduct could not further their studies at the higher level because they were poor, while those who came from rich families could further their studies at universities or attend post-graduate courses even though their families had amassed wealth through illegal means. With such a situation, in the not too distant future one may ask what will be the quality of the succeeding contingent of cadres?

Discussing the same issue, various delegates proposed that it is essential for the upcoming eighth national party congress to clearly determine concrete requirements for various forms of cadres, namely, leading cadres, managerial cadres, and scientific-technological cadres. Naturally, all cadres must be intelligent, have a firm political background, be of a high caliber, and have good morals. At the same time, there are also unique requirements for each type of cadre to ensure correct recruitment and disposal. It is necessary to struggle to clarify the concept that holds that those old communists who completed the leading task in liberating the nation should now hand over their leading role to scientists and technological cadres to lead in the national reconstruction task. If we cannot clarify this concept, it will lead to disorientation in the disposal of the contingent of cadres, thereby causing deviation from the revolutionary course set by our party.

SRV: Hanoi Party Organization Congress Details Reported

BK0805063196 Hanoi VNA in English 0539 GMT 8 May 96

[FBIS Transcribed Text] Hanoi VNA May 7 — The seventh congress of Hanoi Party Organization began here this morning in the presence of Party General Secretary Do Muoi, Advisors to the Party Central Committee Pham Van Dong and Vo Chi Cong and other senior party and government officials.

A keynote report presented at the congress, which is scheduled to last till May 9, said that Hanoi had got out of an economic recession and recorded a rapid, constant rise in economic development over the past five years. In the 1991-95 period, the city's Gross Domestic Product (GDP) increased 11.9 percent annually as against 6-7 percent set by the sixth congress. Industrial production chalked up an annual increase of 14.3 percent and agricultural output rose by 3.9 percent a year. By the end of 1995, there had been 210 foreign invested projects licensed in the city with total registered capital of more than USD 3.3 billion.

For the next five years from now to the year 2000, the city will strive to obtain an annual rise of 15 percent in GDP, and 11 percent in per capita GDP share (about USD 1,100 by the year 2000 as against USD 650 in 1995). Addressing the congress Party General Secretary Do Muoi underlined the heavy tasks of the Hanoians in the country's new stage of development, the stage of accelerated national industrialisation and modernisation.

He noted that as an industrial centre of the country now in the present process of industrialisation and modernisation, the capital of Hanoi can supply raw materials and goods for production and daily consumption for the northern region and the whole country as well.

Efforts should be made to spur the food processing and export- oriented industries, particularly the development of hi-tech and clean industries, Mr Do Muoi said. The reorganisation and renovation of the existing industrial establishments should be done along with the construction of concentrated and hi-tech industrial centres on the outskirts of Hanoi, Mr Do Muoi stressed, adding that special attention should also paid to infrastructure development, and proper zoning and building of a transport network.

In regard to agriculture, the party leader said the sector should gradually be industrialised and modernised, effectively applying the world's advanced scientific and technological achievements, particularly in biotechnology in the cultivation of food crops, fruit trees, organic vegetables and ornamental trees for home consumption and for export.

Outlining the major tasks of Hanoi in developing industry, agriculture, commerce, tourism and services in the next five years, Mr Do Muoi stressed on the promotion of a multi-sectorial economy in order to produce as many goods as possible. He said the state-run sector should be renovated in terms of managing mechanism, mode of operation and personnel to maintain its leading role in the national economy, especially in key sectors.

Economic cooperation should be encouraged to develop in diversified forms and on various scales private businesses should be encouraged to put more investment in production development and to have active cooperation with the state-run sector, Mr Do Muoi said, adding that equitisation should be gradually applied. All this is aimed at developing the forces of production and drawing more investment capital for economic development in order to build and consolidate the relation of production along the socialist line.

He said that the city's party committee should pay attention to educating and fostering talented people, thus promoting personnel sources in the fields of technology, social science and humanities, literature and arts, etc. For Hanoi and other parts of the country.

The party leader pointed out that generating more jobs for local people was a prime social issue of Hanoi. He recommended that the city should expand its fund for job creation, set up more job training centres, encourage people to develop household-based economy in conformity with laws, and at the same time step up the implementation of a hunger eradication and poverty alleviation programme.

He further said that Hanoi should take the lead in building a new, national culture and healthy lifestyle, and in fighting social evils in order to do away with decadent and poisonous elements from the people's cultural and spiritual life.

SRV: Sea Smuggling Said Reduced After Premier's Order

BK0805105696 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 7 May 96

[FBIS Translated Text] The Anticorruption and Smuggling Central Committee reported that after implementing the Prime Minister's instruction No. 701 on suppressing sea smuggling for almost five months, 8,903 cases of smuggling and seizures of goods worth 174 billion dong [US$1.59 million] and $38,812 have been recorded by the various antismuggling units. A total of 40 cases were duly dealt with.

The number of smuggling cases monthly has reduced considerably compared to the early months of 1995. Rice smuggling has basically stopped.

SRV Economy Shows 'Good Growth Rate' First Four Months

BK0305092596 Hanoi VNA in English 0701 GMT 3 May 96

[FBIS Transcribed Text] Hanoi VNA May 3 — Vietnam's economy saw a good growth rate in the first four months of this year despite weather changes that badly affected crops in some areas, as well as some difficulties in industrial production.

In agriculture, 2.5 million ha [hectares] of winter-spring rice were transplanted or 104 per cent of the same crop last year. By mid April, farmers in southern provinces had harvested nearly 1.2 million ha out of the total 1.3 million ha of rice, while those in northern provinces were concentrating on caring for rice. Cold weather at the beginning of the crop caused damage to rice and seedlings but recently the crop has been restored and developed with warm weather and rains. In southern provinces, farmers transplanted summer-autumn rice to 403,800 ha. Meanwhile, subsidiary crop acreage increased by 11.6 per cent over the same period last year.

Industrial output in the period was up by 10.8 per cent compared with that of last year, with central industrial output increasing by 12.5 per cent and locally-run industrial output, by nine per cent. Products with good growth rate included electricity (more than 5.1 billion kwh [kilowatt hours], up by 14.8 per cent) coal (more than 2.5 million tonnes, 24.2 per cent) rolled steel (125,000 tonnes, 12.6 per cent) fertilizer (330,000 tonnes, 16.6 per cent) paper (76,000 tonnes, 20.7 per cent).

Some products saw decreases in their output compared with that of last year, including crude oil with only 2.59 million tonnes, down by 5.9 per cent, due to the influence of strong winds and damaged vessels in April and cement, down by 1 per cent.

The price index for commodities and services increased by 0.1 per cent in April over the previous month, averaging over the four months of this year at 4.3 per cent since December. Prices of some commodities and services actually decreased compared with the previous month, with food price dropping by 0.3 per cent services, by 0.1 per cent and construction material, by 0.5 percent.

The country's total export value was USD [U.S. dollars] 1.44 billion in the first four months, representing 22.2 per cent of the yearly plan. Main export items included crude oil, coal, rice, coffee, rubber, sea products, garment products, handicrafts and fine art articles.

Meanwhile imports were valued at USD 2.86 billion, including iron, steel, fertilizer, petrol, cement, cotton, motorbikes, T.V. sets, and video players.

SRV Minister Details Government Activities at News Conference

BK0305152996 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 2 May 96

[FBIS Translated Text] Government Office Minister Le Xuan Trinh chaired a regular news conference in Hanoi this afternoon to detail the government's activities in April and work plans for May. Among those in attendance were a large number of directors general, editors in chief, and directors of news agencies, newspapers, and radio and television networks at the central level as well as the cities of Hanoi and Haiphong and provinces of Ha Bac, Ha Tay, Vinh Phu, Hai Hung, Nam Ha, Ninh Binh, Thai Binh, Hoa Binh, Bac Thai, Thanh Hoa, Quang Ninh, and Nghe An.

Opening the news conference, Comrade Tran Van Dang, secretary general of Vietnam Fatherland Front Central Committee [VFFCC], briefed the mass media agencies on the common regulations on working relations between the government and the VFFCC. The document has 10 articles stipulating the working relations between the government and the VFFCC. The issuance of the regulations reflects progress in materializing the people's right of mastery in the implementation of party and state lines and policies, as well as the increasingly active participation of the Fatherland Front at all levels in the mobilization of people's contributions to state lines and policies.

Next, Government Office Minister Le Xuan Trinh announced the measures the government carried out in April. The minister said that to cope with the plunging price of rice in the Mekong River delta provinces, the government carried out a series of measures such as ordering the Ministry of Agriculture and Rural Development to purchase 400,000 tonnes of rice from farmers. The relevant ministries also sped up rice delivery to destinations in foreign countries through rice export contracts and banks were ordered to give generous loans to food trading companies so they could purchase more rice from farmers. The government also ordered the timely transportation of hundreds of tonne of rice from the Mekong River delta to the north. Thanks to these measures, the price of rice has stabilized.

Also in April, the government held many discussion sessions to work out effective measures on various urgent issues, such as Prime Minister Vo Van Kiet's directive on restoring order in coal exploitation and trading in Quang Ninh Province. The prime minister also ordered timely measures to facilitate capital allocation for major construction projects and the acceleration of construction work in some cement plants and National Route No. 1 projects. The prime minister also attended meetings to discuss the reorganization of various departments under the Ministry of Finance such as the Investment General Department and the Capital Management General Department, and the release of legal documents that redefine the function and authority of public notary offices.

Regarding other activities in April, Minister Le Xuan Trinh reported that the planting hectarage of fifth-month rice this year was higher than in previous years. Rice productivity in some provinces in the south is remarkably high. Industrial production increased by 10 percent compared to the same period last year, including commodities with very great progress such as electricity, coal, steel, and cement. Other items had a decrease in sales, such as crude oil, cement [as heard], and paper. The encouraging factor is that inflation was restrained in April as well as the first quarter. Inflation was only 4.3 percent for the whole quarter and 0.1 percent for April. These results reflect the efforts of all sectors and localities to boost production and distribution activities and maintain price stability.

Regarding the plan for May, Minister Le Xuan Trinh said:

[Begin recording] In May the government will focus on the strategy for developing education and training; training and retraining for state cadres and employees; rearrangement of the system of scientific research agencies; and preparation of some draft laws and amendments to be submitted to the National Assembly, including the foreign investment law, the amended marriage and family law, and the law on rewards — a new law that we have been waiting for. The government will discuss a unified policy for absent homeowners. This issue has caused a large backlog of complaints from the people. Those are the strategic issues the government will strive to handle in May.

Second, the government will continue to guide the acceleration of production and distribution activities. In the north we will take good care of winter-spring rice planting, rectify damage caused by insects and other problems, and prepare conditions for the summer-fall planting season. We will look at assistance for industrial establishments, especially in the capital. We will handle the overstock of commodities such as cement, paper, and steel in order to liberate capital for the establishments concerned and increase revenue for the state budget. We will strive to regulate the import-export plan, pay good attention to distributing goods to remote regions, and remind all business and traders about the business registration that is in need of reorganization.

Third, the government will urge all sectors and localities to manage their budget revenue and collection with the utmost effort. Localities should avoid fulfilling local targets at the expense of central ones.

Fourth, the government will speed up administrative reform in all agencies in the public sector [end recording].

Dear friends: At this afternoon's news conference, Government Office Minister Le Xuan Trinh also announced two major government project proposals — the proposals on health care and rural development from now until 2000.

SRV: Nguyen Ha Phan Meets Horticulturist Association Leaders

BK0705123796 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 Apr 96

[FBIS Translated Text] Delegated by the Political Bureau Standing Board and the party Central Committee Secretariat, Comrade Nguyen Ha Phan, member of the Political Bureau, secretary of the party Central Committee, vice chairman of the National Assembly, and chief of the party Central Committee's Economic Department, recently held a working session with leaders of the Vietnam Horticulturists Association Central Committee, also known as VACVINA, [Vuon, Ao, Gardens, Fish Ponds, and Pig Stalls of Vietnam]

Mr. Nguyen Ngoc Truu, chairman of the Vietnam Horticulturists Association Central Committee, gave a briefing on the organization and activities of the association. He discussed the results obtained by the association in the economic, social, environmental, and cultural areas. These were done under an emulation movement to carry out horticultural activities satisfactorily in accordance with the examples set by Uncle Ho, and on the planned activities of the association in the period ahead.

Comrade Nguyen Ha Phan responded: In the years to come, the association must step up the renovation of gardens with mixed fruit trees, while devising plans to develop and expand fruit orchards on a larger scale. We must do this to satisfactorily exploit our potential in land and manpower, particularly the land in the midland and mountain region, including over 10 million hectares of fallow land and bare hills and a large rural work force.

The party and the state regard horticultural development as a major direction in the cause of socioeconomic development, especially in the countryside. The association must increase its cooperation with various relevant ministries and state sectors. It should be aware of the role and position of the horticulture-based economy if it is to come up with an appropriate investment policy, such as the investment in the horticultural promotion program. The association may carry out the programs that it thinks it can do it satisfactorily, such as the National Program on the Eradication of Hunger and Alleviation of Poverty, the National Program on Covering Fallow Land and Bare Hills With Greenery, and the National Program To Solve the Unemployment Problem.

SRV Transportation Minister Criticized on Contract Award Decision

962E0039A Hanoi DAI DOAN KET in Vietnamese 15 Mar 96 pp 1,7

[Article by Nguyen Van Luat: "Why Did The Transport Minister Pick the Winner for Project Bids?"]

[FBIS Translated Text] According to the Prime Minister's Decision No. 183-TTG dated 16 April 1994 on considering and selecting bidders for national projects, all projects funded with large amounts of state-supplied capital must be put out to tender to pick builders who can carry them out most efficiently and in a way most beneficial to the national interests. This is the most effective and objective managerial measure aimed at ensuring the most efficient use of state capital and property.

However, Communications and Transportation Minister Bui Danh Luu has not acted in strict accordance with the stipulations of Decision 183-TTG.

The Ngo Gia Tu Automobile Plant had a large space at 16-18 Phan Chu Trinh, Hanoi. Some foreign partners wanted to contribute money to set up a joint venture to build a high-class hotel in that space.

On 30 August 1995, the Communications and Transportation Ministry held a public international bidding in which three foreign partners participated. They were:

- The Central Plaza Group of Thailand;

- The Vinabumi Hotel Properties Corporation of Malaysia; and
- The S.A.D.I.Su of Luxembourg.

The Central Plaza Group of Thailand registered a capital investment of $120 million, calling for a capital contribution of 35 percent by the Vietnamese side and 65 percent by the Thai side and specifying the profit-sharing figures throughout the duration of the joint venture, the compensation for space-clearing cost.... The Vinabumi Corporation of Malaysia registered $160 million in capital investment; as for the S.A.D.I.Su of Luxembourg, it put up $120 million and offered the same conditions as those of the Thai corporation.

According to bid records, the Vinabumi Corporation offered the highest compensation for space clearing (6000/4300); its registered capital was also the largest ($160 million). The compensation proposed by the other two bidders was lower, with the Central Plaza Group tendering 6000/3272 and the S.A.D.I.Su putting forth 650/3500. All the other conditions offered by these two bidders were also less favorable and less advantageous to Vietnam than the ones suggested by the Central Plaza Group of Thailand. But the Communications and Transportation minister put the Vinabumi Corporation in the leading position, declaring it the winner.

On 10 November 1995, Minister Bui Danh Luu held talks with the general director of the Vinabumi Corporation. During the meeting, Vinabumi proposed to Minister Bui Danh Luu a new plan that was different from the one it submitted at the public bidding. Under the new plan, Vinabumi arbitrarily reduced the original capital investment of $160 million to $110 million and unilaterally changed the other conditions to match those put forth by the Central Plaza Group.

Basing himself on this unilateral, modified tender, the Communications and Transportation minister sent an official letter to the prime minister, proposing that Vinabumi's plan be accepted, thereby recognizing the Malaysian corporation as the winner for the project bids.

In so doing, Communications and Transportation Minister Bui Danh Luu had failed to uphold the state regulations on public bids. The public bids he organized were just a camouflage. After the bids, he allowed Vinabumi to unilaterally reduce its capital investment to the lowest level compared to the two other foreign bidders, and to arbitrarily revise the tender plan, retaining only the compensation rate which was higher than the one offered by the Central Plaza Group and S.A.D.I.Su. On the basis of its modified plan, Vinabumi was picked by the Communication and Transportation Ministry as the successful tenderer. With this way of doing things, one cannot help wondering why the Communications and Transportation Ministry should have bothered to call for tenders at all.

It is for this reason that the General Tourism Department and the Planning and Investment Ministry have sent letters to the prime minister and the National Assembly chairman in which they dissected the incomprehensible nature of the way the Communications and Transportation Ministry called for bids and suggested that the prime minister reject the results of this "unilateral bid."

Was there any shady deal in this "unilateral winning bid" affair, after all?

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